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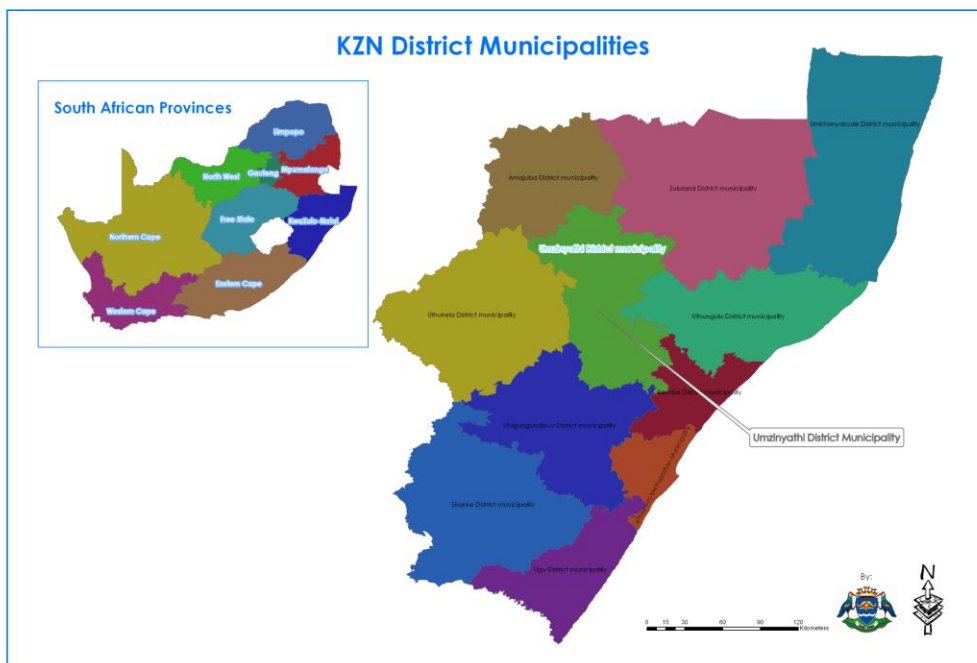
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SECTION A: EXECUTIVE SUMMARY

1. EXECUTIVE SUMMARY

The uMzinyathi District Municipality (DC24) is one of the ten districts of KwaZulu-Natal. The Municipality is bordered in the north by the aMajuba Municipality, in the west by the uThukela Municipality, in the south west by the uMgungundlovu Municipality, in the south east by the iLembe Municipality and in the east by uThungulu District Municipality, as shown on the Map 1 below:

Map 1: Provincial Context



The district consists of four Local Municipalities, namely:

- eNdumeni (KZ 241)
- Nquthu (KZ 242)
- Msinga (KZ 244)
- uMvoti. (KZ 245)

The Map 2 below shows the location of the local municipalities within the district:

Map 2: District Context



The municipal area is 8079 km² and has extensive grasslands in the north supporting the primary agricultural sector based on cattle ranching for beef, small scale sheep and mixed farming and maize cultivation. In the southern areas substantial forestry is prevalent. Sugar cane and smaller scale fruit farming such as avocado and kiwi fruit cultivation also occur.

Mineral deposits found in the district include coal and metal ores. Only coal was mined on a large scale in the eNdameni Municipality. The coal mining industry is undergoing a restructuring process. There is a decline in corporate interest in the industry, however there is interest in the small scale regeneration of the coal belt for SMME development. A small amount of stone quarrying occurs in the district. Within eNdameni Local Municipality, Dundee has the main economic activities ranging from retail trade, tourism and farming. Dundee is a centre from which tourism based on the cultural heritage of the Zulu Kingdom and “Battlefields” is emphasised and managed to some extent, and there is also Glencoe which serves as a secondary centre to Dundee.

uMzinyathi Municipality, in conjunction with its north western neighbour aMajuba Municipality, is branded as the “custodian” of the “Battlefields region of the Zulu Kingdom”. The “Battlefields of the Zulu Kingdom” are located in the hinterland and lie “in the shadow” of the majestic Drakensberg mountains spanning the western boundary of KwaZulu-Natal. This branding is of international and regional significance. In conjunction with the Beaches of the South and North Coast and Big Five Game attractions in the East of KwaZulu-Natal, the “Battlefields of the Zulu Kingdom” form a vital role in the spatial economy of the province from a tourism perspective. However, within uMzinyathi, the range of battlefields attractions is not adequately harnessed for their job creating opportunities across the municipality.

The main town in the uMvoti Municipality is Greytown. It is the agricultural centre of the district and contributes substantially to the economic viability of the district. Nquthu and Msinga Local Municipalities are rural based subsistence economies with cultural heritage areas that attract some tourists but need to be substantially developed. The main towns are Nqutu, Pomeroy and Tugela Ferry.

The topography of the district is characterised by extensive variation with deep river gorges, rolling grasslands, extensive wetlands, hills and valley bush-veld. These characteristics make the development of infrastructure difficult and costly particularly in the steep terrain. The general slope of the land is between 1:5 and 1:6 and it is susceptible to soil erosion where it is not carefully managed.

2. OVERVIEW OF THE LOCAL MUNICIPALITIES

2.1 Endumeni

This municipality is unique, its population is predominantly urbanised or based on commercial farms and unlike the other local municipalities there is no tribal authority land. The main town is the Commercial centre which is Dundee, it has most diversified economy, commercial cattle farming and dairy production and is the centre of the Battlefields tourist region.

2.2 Nquthu

This municipality is typically rural and largely tribal authority where the population is largely previously disadvantaged and relatively dispersed and where services are scarce and often at rudimentary levels. The main town is Nquthu and subsistence agriculture is the main activity in the area.

2.3 Msinga

Owing to its rugged terrain Msinga's population is relatively dispersed and where services exist they are concentrated along road infrastructure and water sources such as the Tugela River. The main towns are Pomorey and Tugela Ferry, it's the rural region with subsistence farming.

2.4 Umvoti

This local municipality comprises of urban areas, commercial agricultural areas and tribal authority areas all of which exhibit typical characteristics associated with these settlement types. Service levels in urban areas are high except for informal areas, in commercial agricultural areas they are relatively high as farmers provide their own services and in tribal authority areas they are low to moderate. The main town is the commercial centre Greytown.

3. DEMOGRAPHIC TRENDS AND CHARACTERISTICS

The comparative population figures for 2001 and 2007 at provincial, district and local municipality level is depicted in Table 1 below. This information indicates that although the district population has increased from approximately 480 412 in 2001 to 495 748 in 2007, the average annual growth rate of 0.53% over this period is significantly lower than the provincial average of 1.17%. Two of the local municipalities experienced a decrease in population i.e. Nquthu and Msinga Local Municipalities. The strongest population growth was evident in Umvoti LM with an average annual population growth rate of just over 4% between 2001 and 2007.

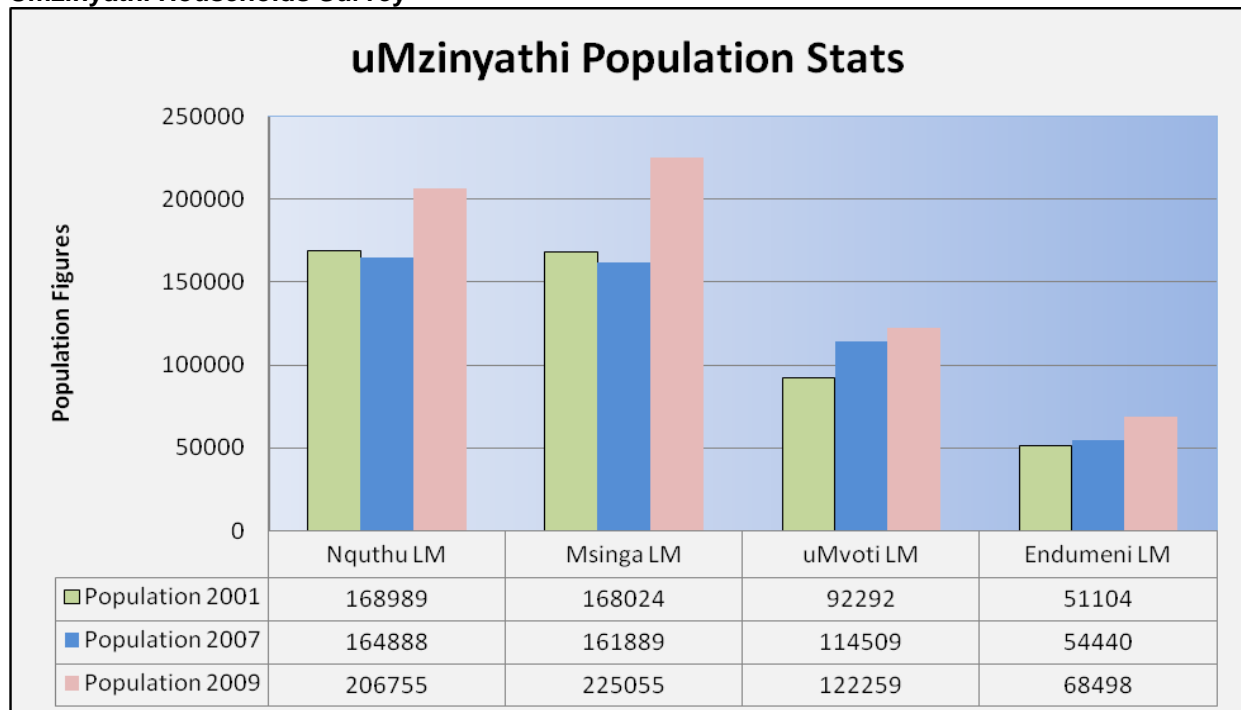
Table No 1: Comparative population figures for 2001 and 2007

AREA	POPULATION 2001	POPULATION 2007	HOUSEHOLDS 2001	HOUSEHOLDS 2007	AVERAGE ANNUAL GROWTH (%)
KwaZulu Natal	9 584 129	10 259 240	2,117,274	2,234,129	1.17
Umzinyathi DM	480 412	495 748	93,770	104,535	0.53
Nquthu LM	168 989	164 888	29,318	32,169	-0.40
Msinga LM	168 024	161 889	32,505	32,592	-0.61
Umvoti LM	92 292	114 509	19,669	26,019	4.01
Endumeni LM	51 104	54 440	12,278	13,755	1.09

Source : 1. Statistics SA, Census 2001
2. Statistics SA, Community Survey 2007

Figure 1 provides comparative population figures for 2001 and 2007 STATS SA, and also 2009 Umzinyathi household survey. This information indicates that although the district population has increased from approximately 480,412 in 2001 to 495,748 in 2007, the 2009 household survey undertaken by the municipality to bridge the population gap, indicates that the population has increased substantially to 622 567.

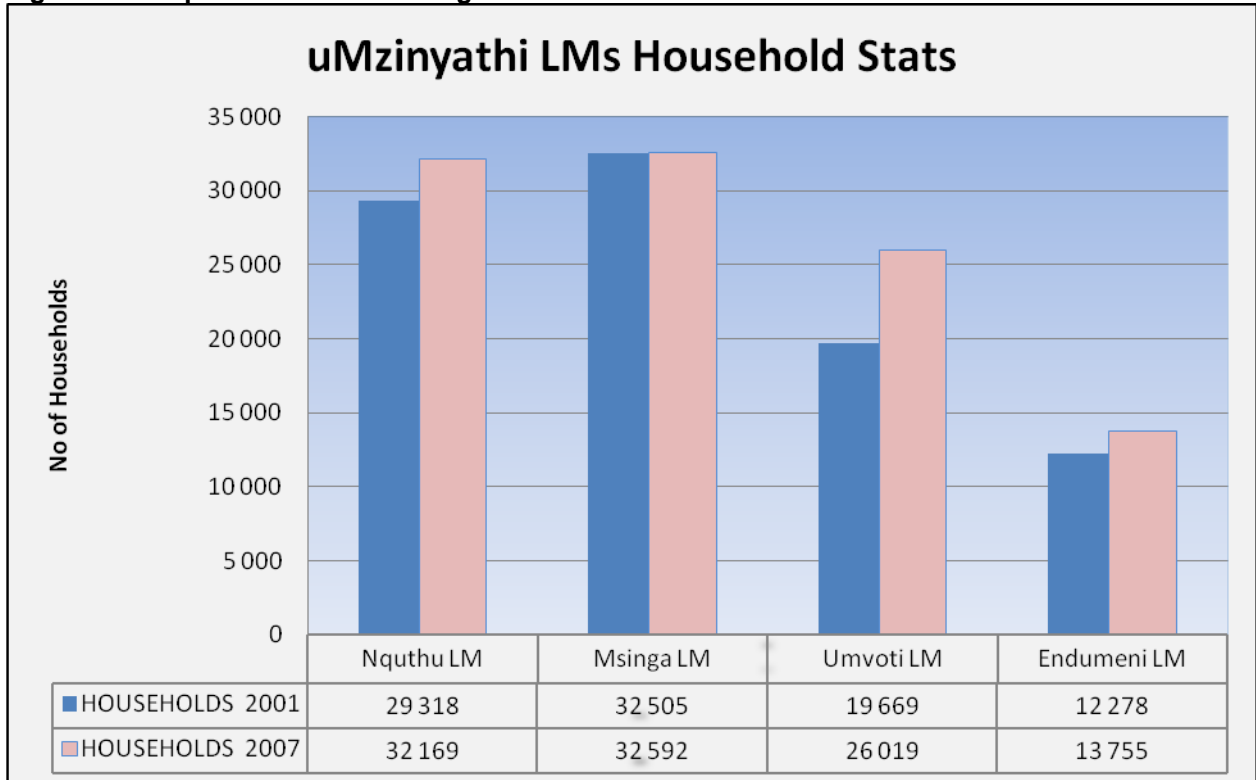
Figure 1: Comparative Population figures for 2001 and 2007 STATS SA, and also 2009 Umzinyathi Households Survey



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007
Umzinyathi DM: Household Survey 2009

The comparative household figures for 2001 and 2007, within the district municipality are depicted in Figure 2 below. This information indicates that the households within the district have increased substantially from 93,770 to 104,535 with Nquthu and Umvoti experiencing the highest household growth.

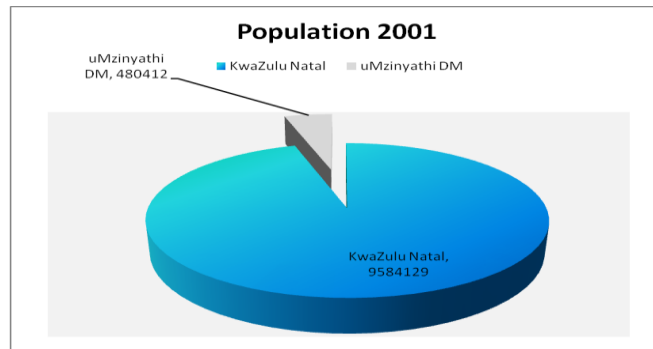
Figure 2: Comparative Household figures for 2001 and 2007 STATS SA



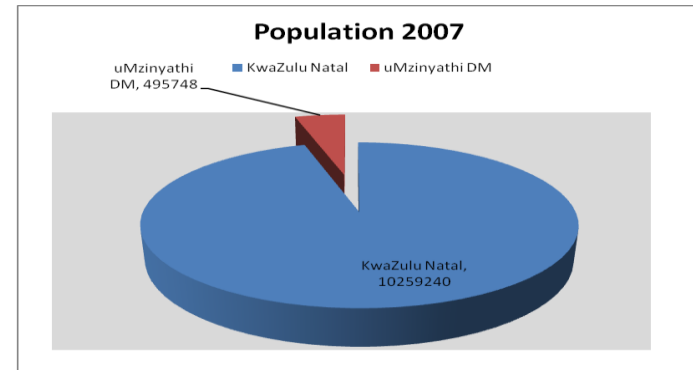
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 3 below provides the comparative population figures of the district in relation to the province between 2001 and 2007. During 2001, the population of the district represented 480,412 of 9,584,129 provincial population. During 2007, the the district population represented 495,748 of 10,259,240 provincial population.

Figure 3: Comparative Population Figures of the district in relation to the Province



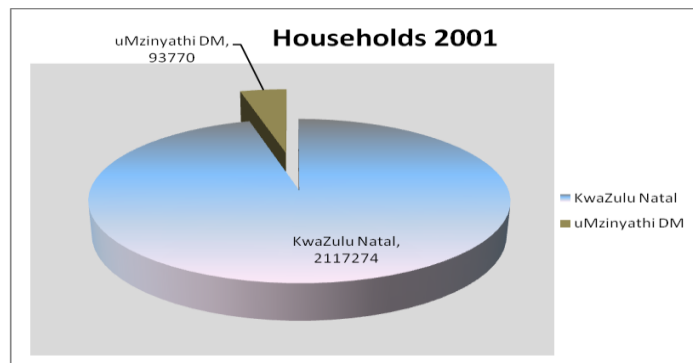
Source: Stats SA: Census 2001



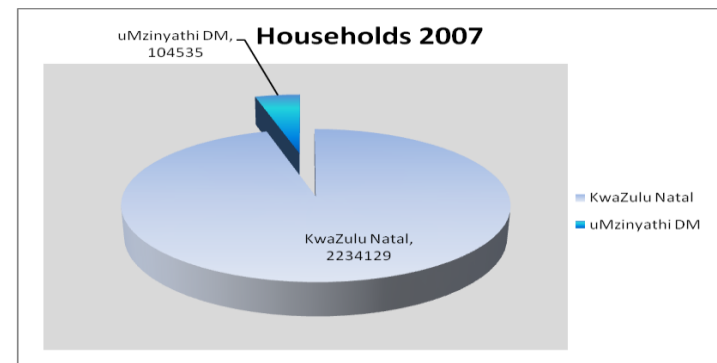
Source: Stats SA: Community Survey 2007

Figure 4 below provides the comparative households of the district in relation to the province between 2001 and 2007. During 2001, the households of the district represented 93,770 of 2,117,274 provincial households. During 2007, the the district households represented 104 535 of 2 234 129 provincial households.

Figure 4: Comparative Household Figures of the district in relation to the Province



Source: Stats SA: Census 2001



Source: Stats SA: Community Survey 2007

A graphical illustration of the distribution of the population, as well as the population densities in the district is depicted on the attached thematic maps. The density information clearly indicates that the highest population densities are prevalent in the areas immediately surrounding and in the vicinity of the main centers of the district such as Dundee and Greytown as the primary district centres, as well as Nquthu, Tugela Ferry and Keate's Drift.

SECTION B: SITUATIONAL ANALYSIS

1. INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

Integrated Development Planning is a **process** through which municipalities prepare a strategic development plan, for a five year period. The Integrated Development Plan (IDP) is a **product** of the integrated development planning process. The IDP is a principal strategic planning instrument which guides and informs all planning, budgeting, management and decision-making in a municipality. All municipalities (i.e. Metros, District Municipalities and Local Municipalities) have to undertake an integrated development planning process to produce integrated development plans (IDPs), as the IDP is a legislative requirement and its legal status supercedes all other plans that guide development at local government level.

Integrated development planning is a very interactive and participatory process which requires involvement of a number of stakeholders. Because of its participatory nature it takes a municipality approximately 6 – 9 months to complete an IDP and this timing is closely related to the municipal budgeting cycle. However, during this period delivery and development is not at a standstill, it continues.

On the 18 May 2011, local government elections were held, and new municipal political principals were elected. In terms of Chapter 5, Section 32 of the Municipal Systems Act (No 32 of 2000), requires municipalities to develop new IDP's for the new term of Council. The new 2012/17 IDP will be developed for a five year period, and there will be four subsequent revisions thereafter as required by Section 34 of the Municipal Systems Act (No 32 of 2000) until 2017. The IDP which is currently being developed by the municipalities is for the 3rd generation of IDP's, which indicates that two generation of IDP's have already developed.

2. LEGISLATIVE FRAMEWORK

2.1 Municipal Systems Act (No 32 of 2000)

According to Chapter 5, Section 32 of the Municipal Systems Act of 2000, all municipalities (i.e. Metros, District Municipalities and Local Municipalities) are required to undertake an integrated development planning process to produce integrated development plans (IDPs). A credible IDP is a single, inclusive strategic plan for the municipality that:

- is based on up to date and accurate statistics and empirical data that can inform strategic decision making;
- integrates, co-ordinates and facilitates service delivery, local economic development and wise land use management within the municipal area of jurisdiction;
- forms the general basis on which annual budgets are developed;
- aligns the resources and capacity of the municipality with the implementation of the plan;
- assists a municipality in fulfilling its constitutional mandate as developmental local government; and
- facilitates the processes of democratisation and sustainability through vigorous public participation.

2.2 Constitution of the Republic of South Africa, Act 108 of 1996

The Constitution requires municipalities to undertake developmental orientated planning to ensure that it:

- Strives to achieve the objectives of local government as indicated in Section 152;
- Gives effect to its developmental duties as required by Section 153;
- Together with other organs of state it contributes to the progressive realization of fundamental rights contained in Section 24, 25, 26, 27 and 29.

2.3 Municipal Structures Act (No 117 of 1998)

The Municipal Structures Act No 117 of 1998 makes provision for the powers and functions between the districts and local municipalities. It mandates district wide functions to the district municipalities and critical day to day functions to the local municipalities.

2.4 Municipal Finance Management Act (No 56 of 2003)

The annual Budget and the IDP have to be linked to one another and that has been formalised through the promulgation of the Municipal Finance Management Act (2004). Chapter 4 and Section 21 (1) of the Municipal Finance Management Act indicates that:

At least 10 months before the start of the budget year, table in the municipal Council a time schedule outlining key deadlines for:

- a) The preparation, tabling and approval of the annual Budget;
- b) The annual review of:
 - a. The integrated development plan in terms of Section 34 of the Municipal Systems Act, and
 - b. The Budget related policies
- c) The tabling and adoption of any amendments to the integrated development plan and budget related policies, and
- d) The consultative processes forming part of the processes referred to in subparagraphs (a), (b) and (c).

2.5 Disaster Management Act (No 53 of 2002)

The Disaster Management Act No 53 of 2002, Section 25 requires:

(1) Each municipality must, within the applicable municipal disaster management framework-

- (a) prepare a disaster management plan for its area according to the circumstances prevailing in the area;
- (b) co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players;
- (c) regularly review and update its plan: and
- (d) through appropriate mechanisms, processes and procedures established in terms of Chapter 4 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), consult the local community on the preparation or amendment of its plan.

(2) A disaster management plan for a municipal area must-

- (a) form an integral part of the municipality's integrated development plan;
- (b) anticipate the types of disaster that are likely to occur in the municipal area and their possible effects;

- (c) place emphasis on measures that reduce the vulnerability of disaster-prone areas,
 - (d) seek to develop a system of incentives that will promote disaster management in the municipality;
 - (e) identify the areas, communities or households at risk;
 - (f) take into account indigenous knowledge relating to disaster management;
 - (g) promote disaster management research;
 - (h) identify and address weaknesses in capacity to deal with possible disasters;
 - (i) provide for appropriate prevention and mitigation strategies;
 - (j) contain contingency plans and emergency procedures in the event of a disaster,
- (3) A district municipality and the local municipalities within the area of the district municipality must prepare their disaster management plans after consulting each other.
- (4) A municipality must submit a copy of its disaster management plan, and of any amendment to the plan, to the National Centre, the disaster management centre of the relevant province, and, if it is a district municipality or a local municipality, to every municipal disaster management centre within the area of the district municipality concerned.

2.6 Local Government: Municipal Planning and Performance Management Regulations, 2001

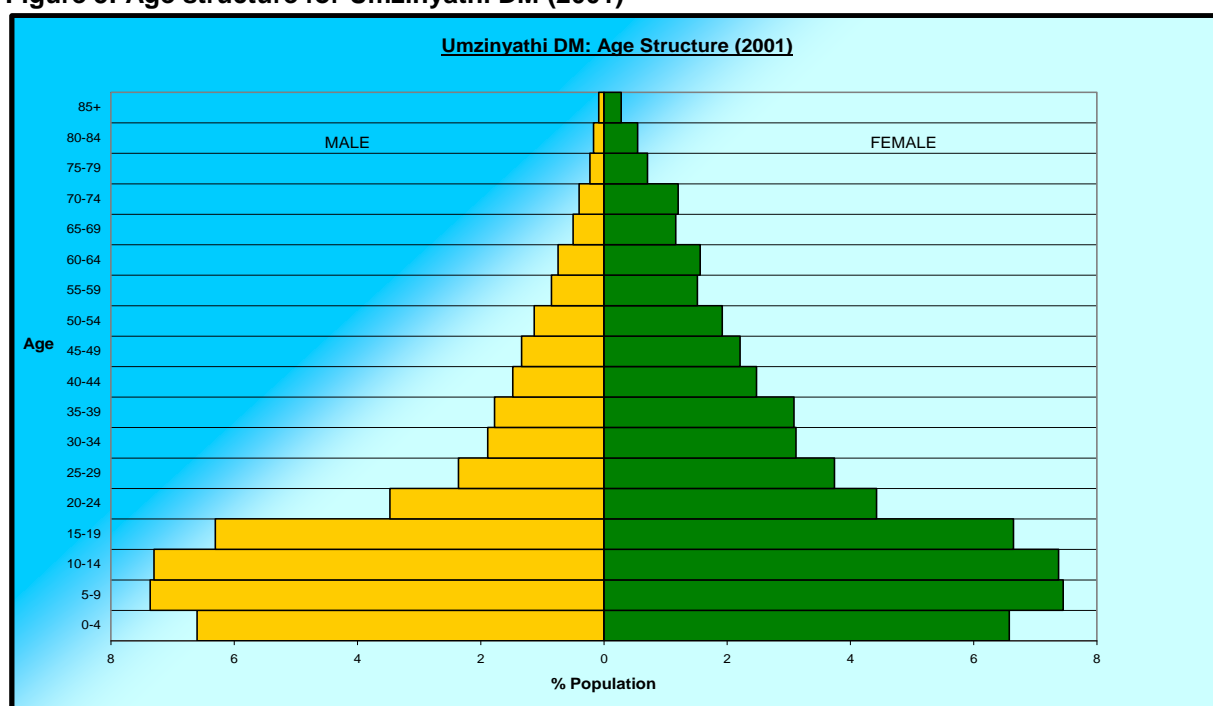
In 2001, the Municipal Planning and Performance Management Regulations were issued to further provide guidelines and clarity on the issues of IDP and PMS. The Municipal Planning and Performance Management Regulations provide details on the requirements of the IDP and Performance Management System.

3. STATUS QUO ANALYSIS OF THE MUNICIPAL AREA

3.1 Age Structure and Gender Composition

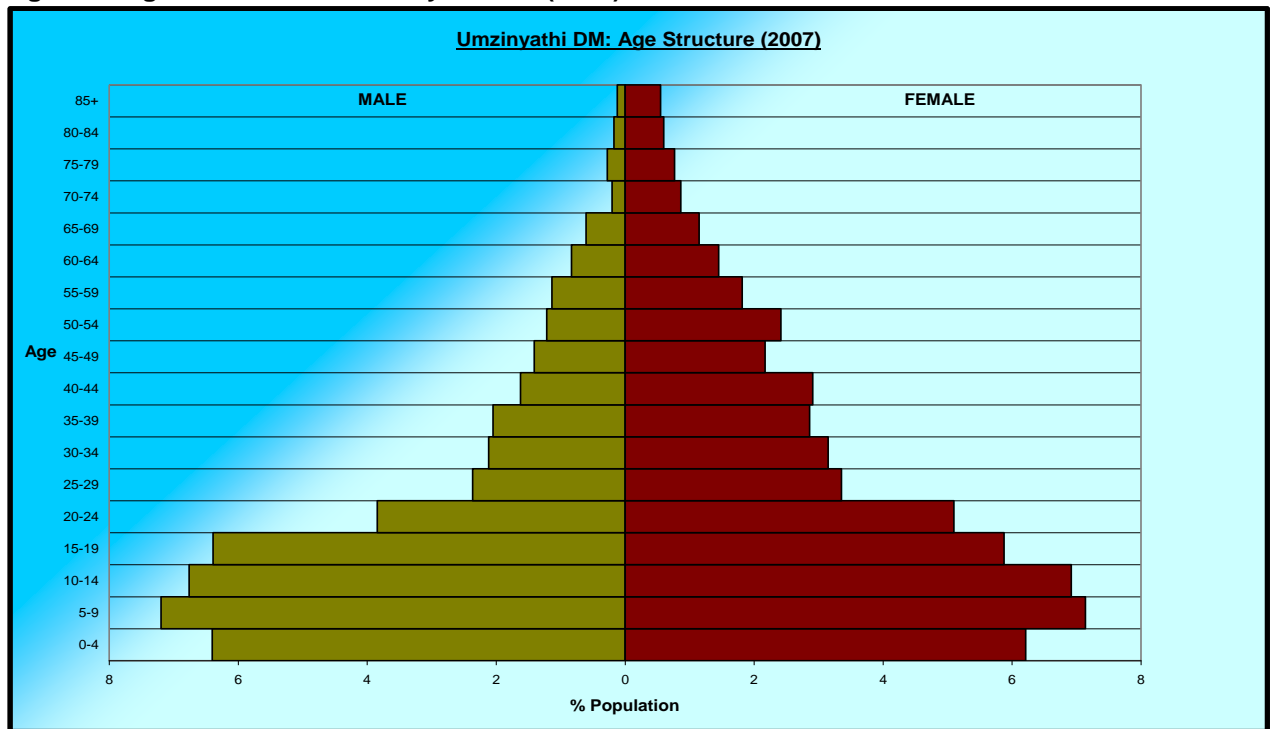
The overall age and gender structure and profile of the Umzinyathi District Municipality is graphically depicted in Figures 5 and 6. This information clearly indicates a very youthful age structure with the overall population profile dominated by the age cohorts of 5 -9 year of age and 10 -14 years of age respectively. These two age categories jointly nearly represent 30% of the total population. These statistics further indicates that that population structure is slightly female dominated. Although the gender profile has not changed significantly between 2001 and 2007, it is apparent that the female population is dominating the age categories from 25 years and older. One of the underlying reasons for this trend can possibly be male absenteeism from the district due to males seeking employment in other areas with comparatively lower unemployment rates than the Umzinyathi DM.

Figure 5: Age structure for Umzinyathi DM (2001)



Source: Stats SA; Census 2001

Figure 6: Age structure for Umzinyathi DM (2007)

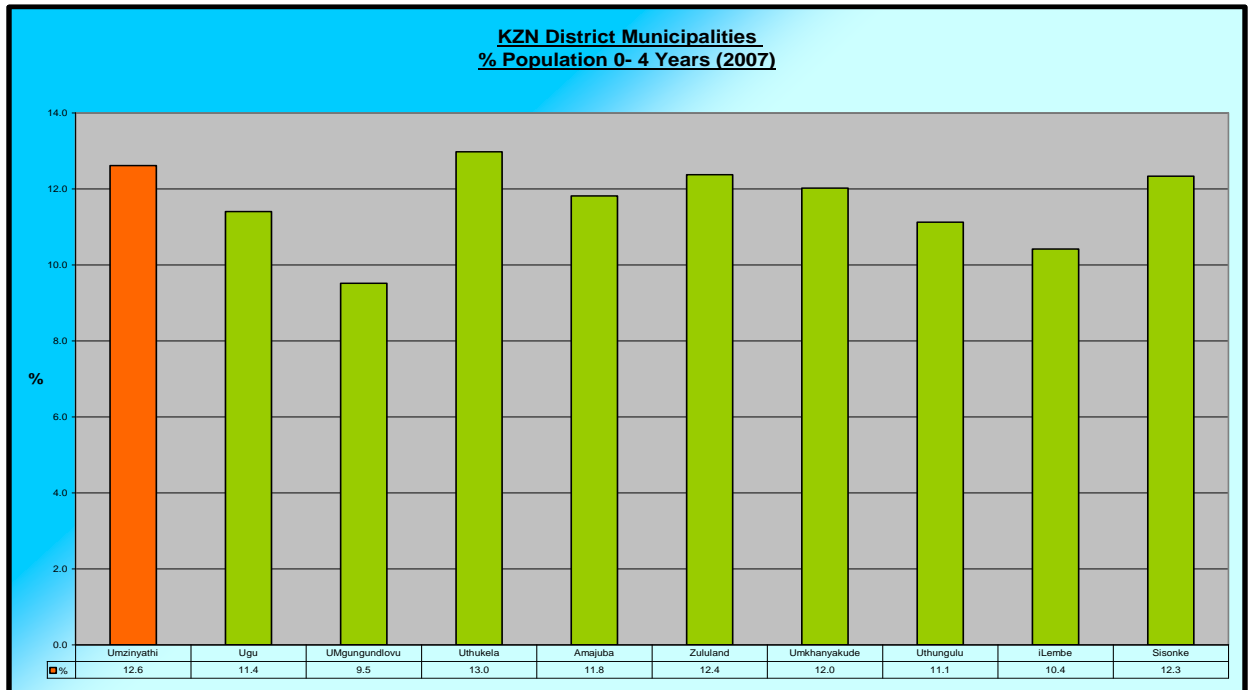


Source: Stats SA; Community Survey 2007

This age structure of the district population is contextualized against the other district municipalities in KwaZulu-Natal as portrayed in Figures 7 to 8 below. These statistics indicates the following aspects:

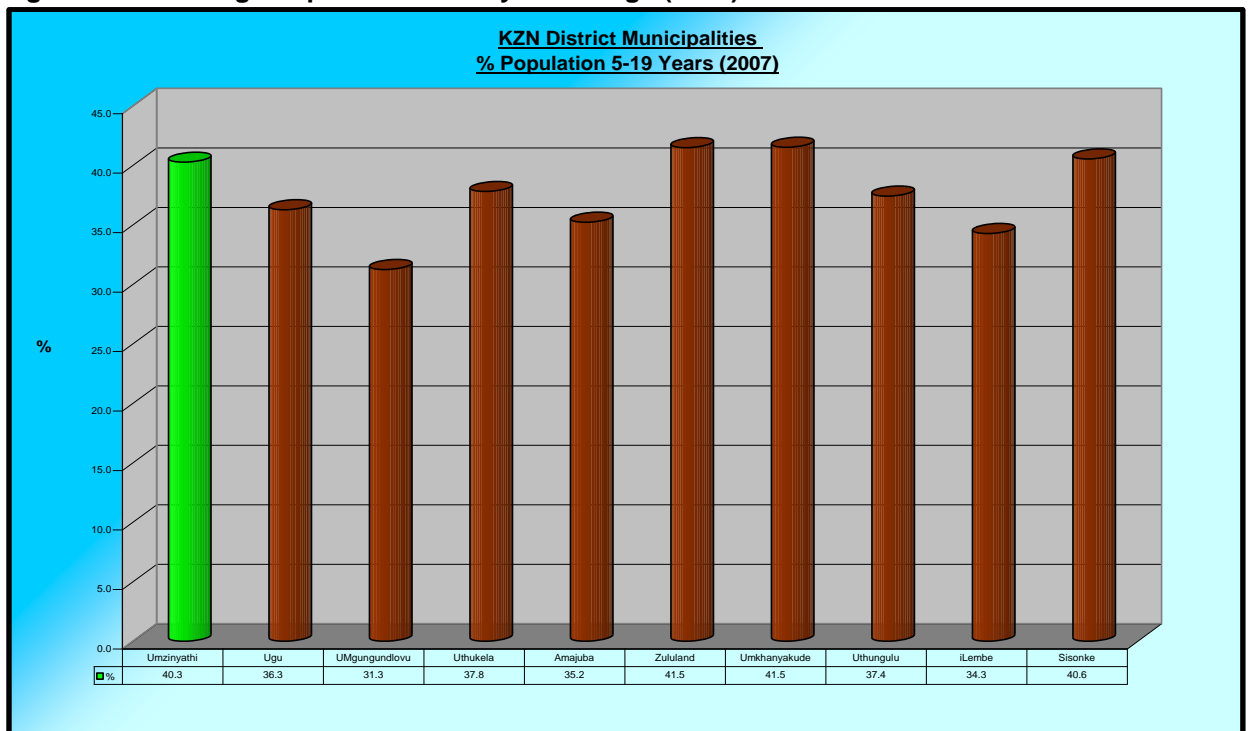
- The Umzinyathi DM has the second highest proportion of population younger than five years of age (12.6%) amongst the districts in KwaZulu Natal. Although a high figure, this is not unlike the norm for other districts in the province, with the proportion of population in this age category (above 11% of total population in most of districts in the province).
- A very high percentage of 40.3% of the district population is of a school going age (between five and nineteen years). This figure is again not dissimilar to the patterns in many other districts within the province.
- The gender structure of the Umzinyathi DM has the highest proportion female population amongst all district municipalities within the province (approximately 55.3% by 2007). This may be indicative of aspects such as male absenteeism due to temporary migration trends and looking for employment opportunities in areas with higher levels of economic activity.

Figure 7: Percentage Population 0 – 4 years (2007)



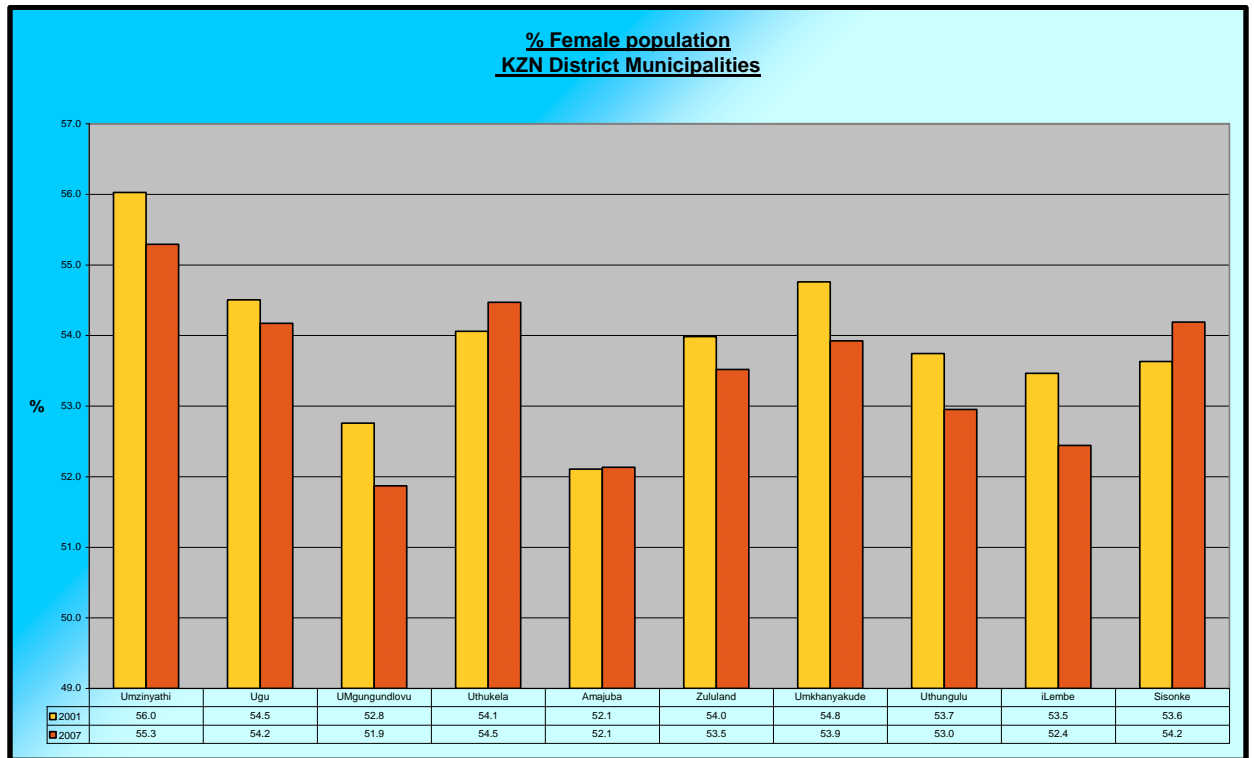
Source: Stats SA; Community Survey 2007

Figure 8: Percentage Population 5 – 19 years of age (2007)



Source: Stats SA; Community Survey 2007

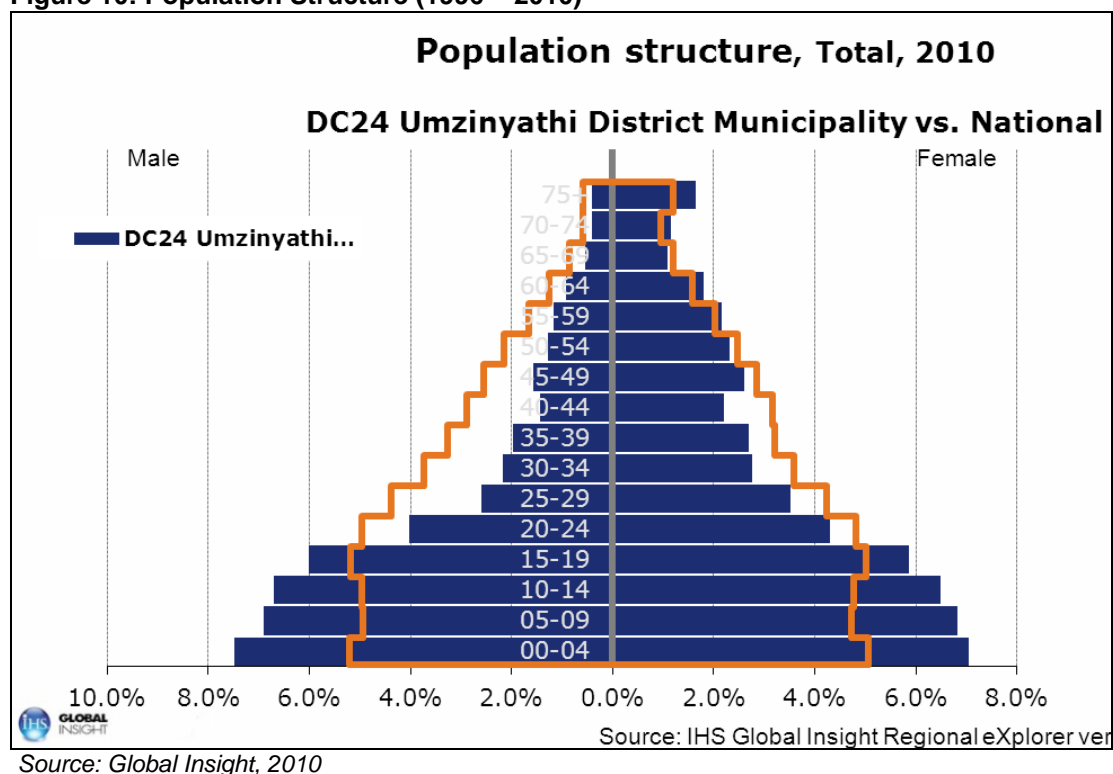
Figure 9: Percentage Female Population in the KwaZulu-Natal District Municipalities



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

In terms of Global Insight figures, it is apparent that Umzinyathi DM population is largely youthful with the majority of people being in the age cohorts under 19 years. This indicates high levels of dependence and is typical of migrant labour sources. The figures also indicate large numbers of woman in the 65+ age cohorts.

Figure 10: Population Structure (1996 – 2010)



When comparing the 2010 data to the 1996 data it can be seen that for the male population, most age cohorts have declined, particularly for the economically active cohorts. For the women, however, there has been a growth in most age cohorts up to the age of 45 years during this period.

The figure above indicates the Umzinyathi DM's population pyramid in comparison to the national averages. What can be seen is that the Umzinyathi DM has a more youthful population than the national average as well as fewer residents in the economically active age cohorts which are symptomatic of areas which provide migrant labour.

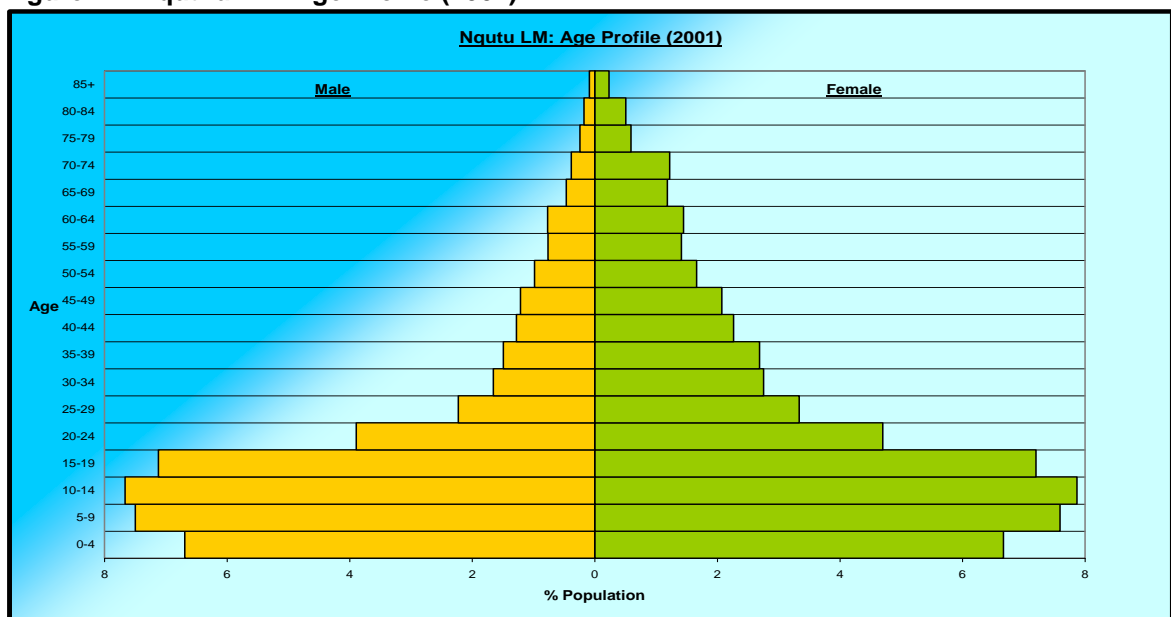
3.2 Municipal Level Comparison

The comparative age and gender structures of the four local municipalities within Umzinyathi for 2001 and 2000 respectively are outlined in Figures 11 to 19. The summary characteristics from these comparisons include:

- The age profile of the Nquthu LM is very similar to the overall district figures with the majority of the population between five and nineteen year of age. In both 2001 and 2007, the proportion of the female population in age categories from 25 years and older significantly dominates the male population.

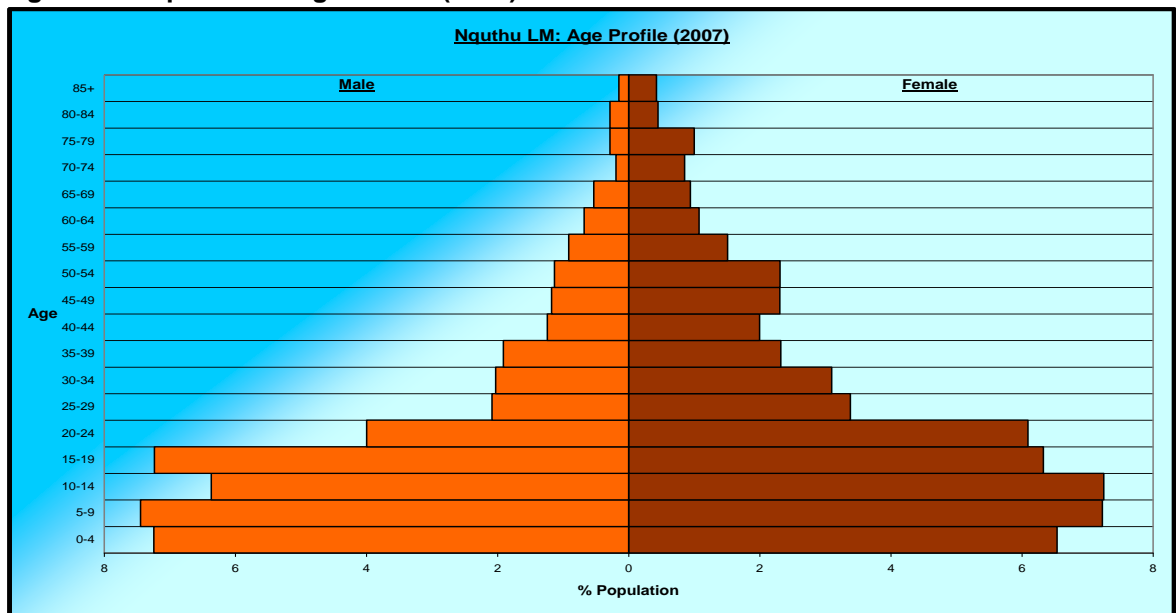
- The gender structure of the Msinga LM is significantly female dominated in the age categories of 25 years and older. Conversely, the population younger than 19 years of age is however somewhat male dominated.
- The age and gender profiles of the Umvoti LM in 2001 and 2007 respectively indicates that the very even distribution between male and female population in 2001, has been replaced by a more female dominated age structure in virtually all age categories, by 2007. Also notable is that the proportion of the population in the 25 – 29 years age category have decreased significantly in proportional terms from 2001 to 2007.
- The age structure of the eNdumeni LM is not as heavily dominated by the younger than 19 years of age category compared to the other three local municipalities. It is also the only local municipality within the district where the gender structure is dominated by male population.

Figure 11: Nquthu LM: Age Profile (2001)



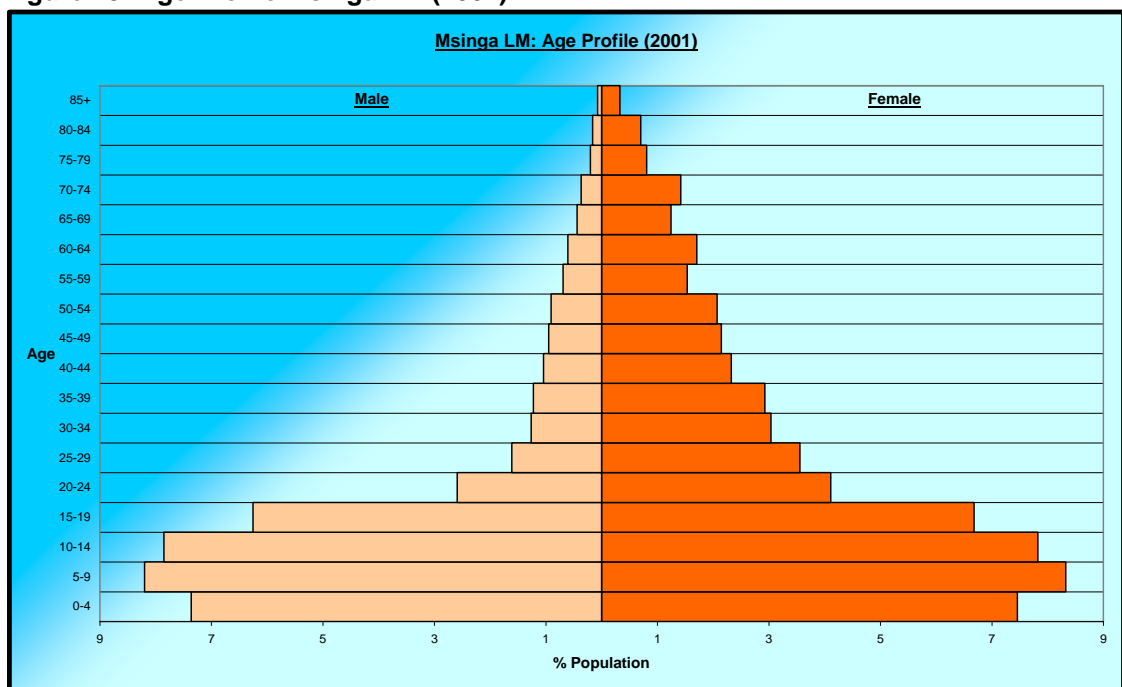
Source: Stats SA: Census 2001

Figure 12: Nquthu LM: Age Profile (2007)



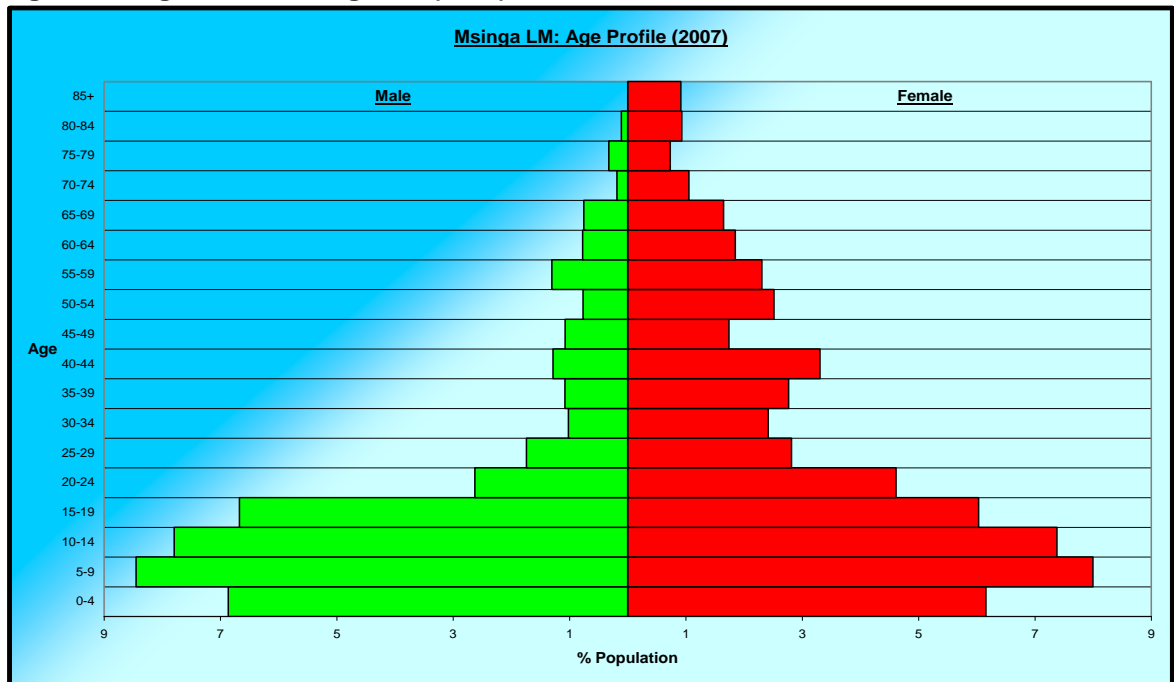
Source: Stats SA; Community Survey 2007

Figure 13: Age Profile Msinga LM (2001)



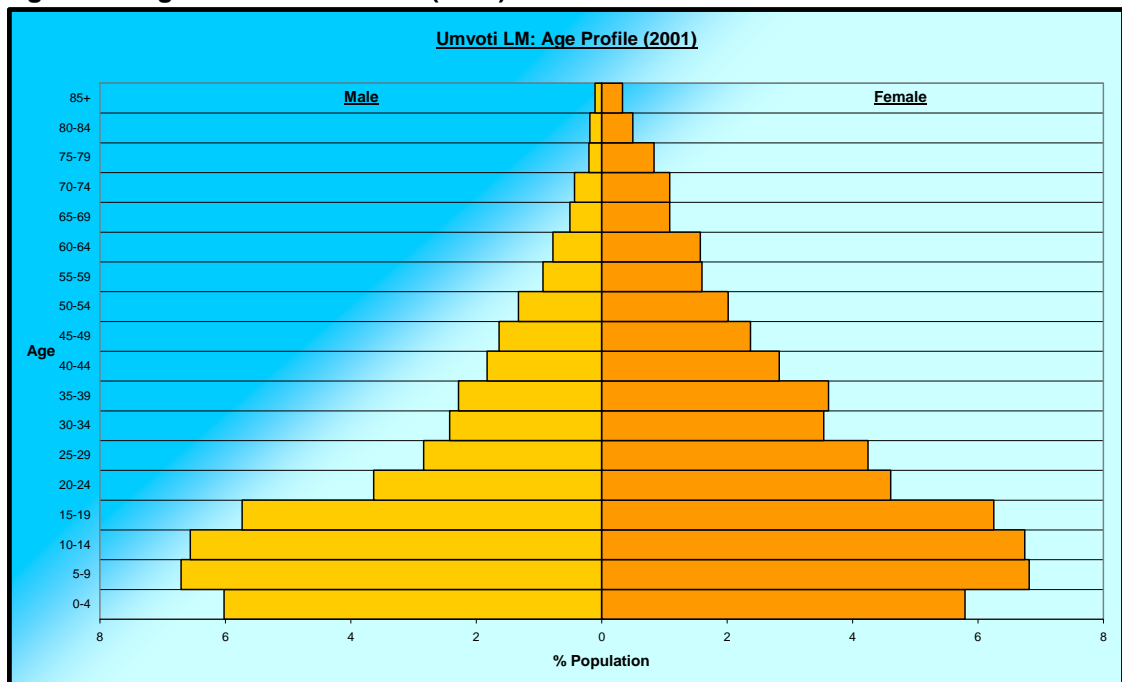
Source: Stats SA; Census 2001

Figure 14: Age Profile Msinga LM (2007)



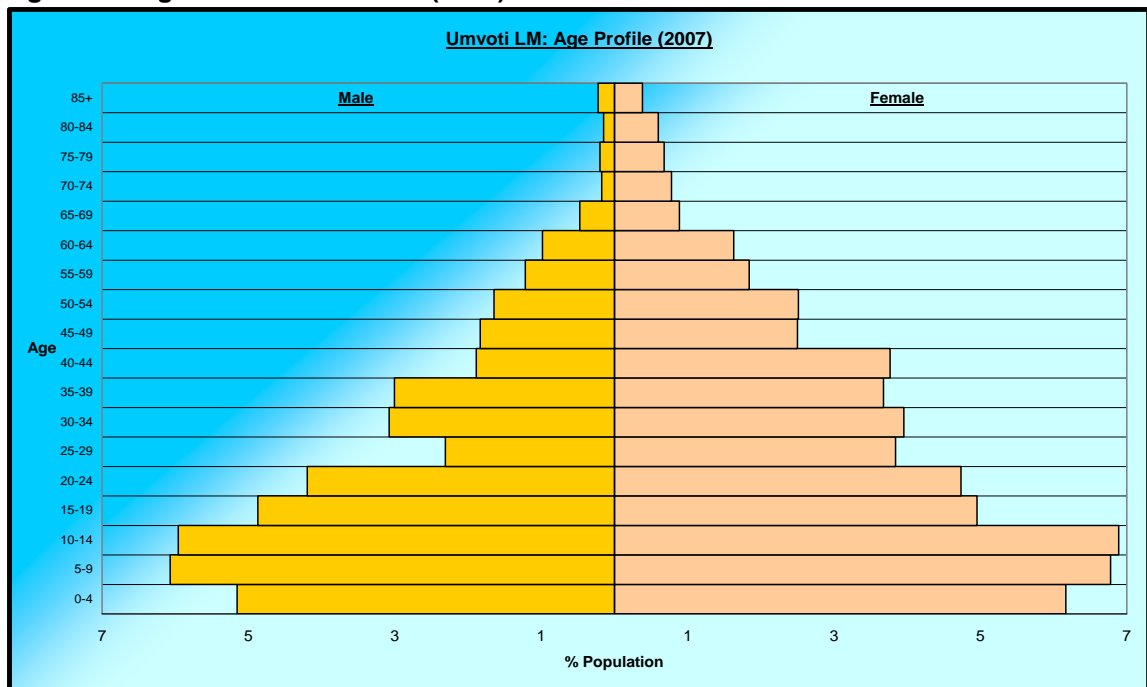
Source: Stats SA; Community Survey 2007

Figure 15: Age Profile Umvoti LM (2001)



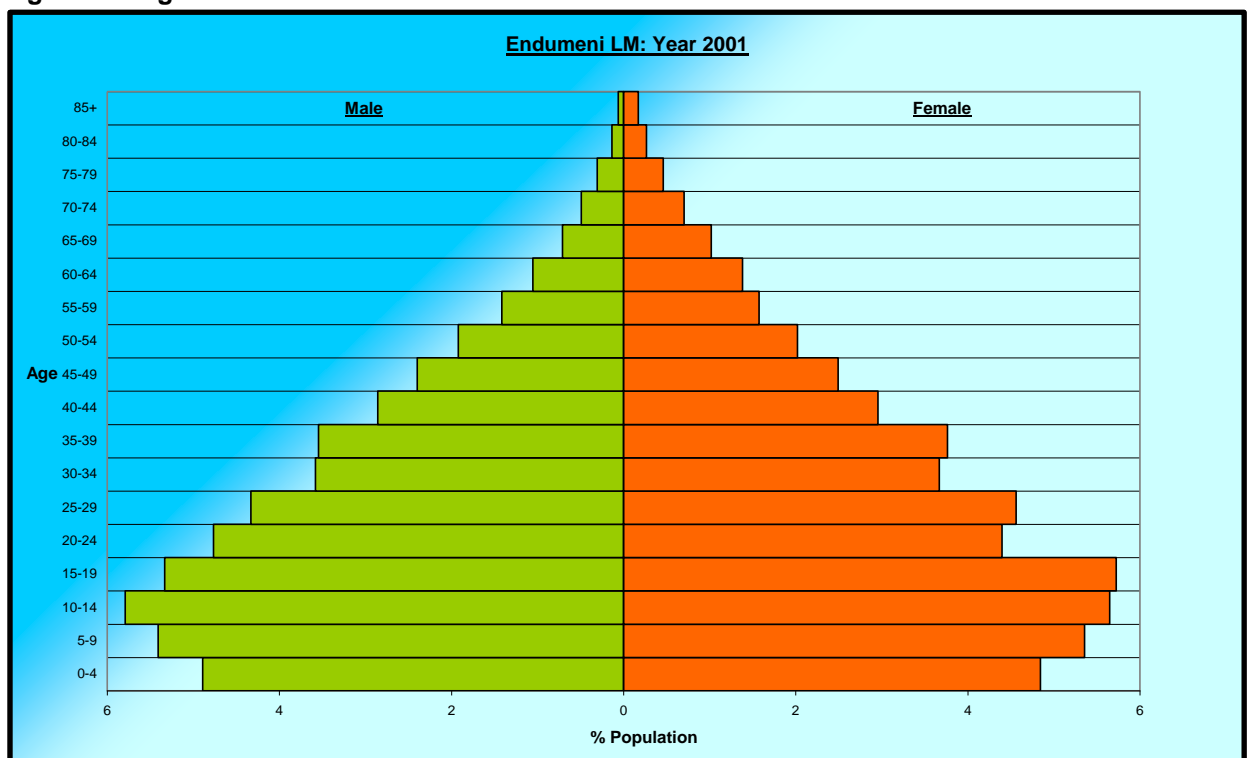
Source: Stats SA; Census 2001

Figure 16: Age Profile Umvoti LM (2007)



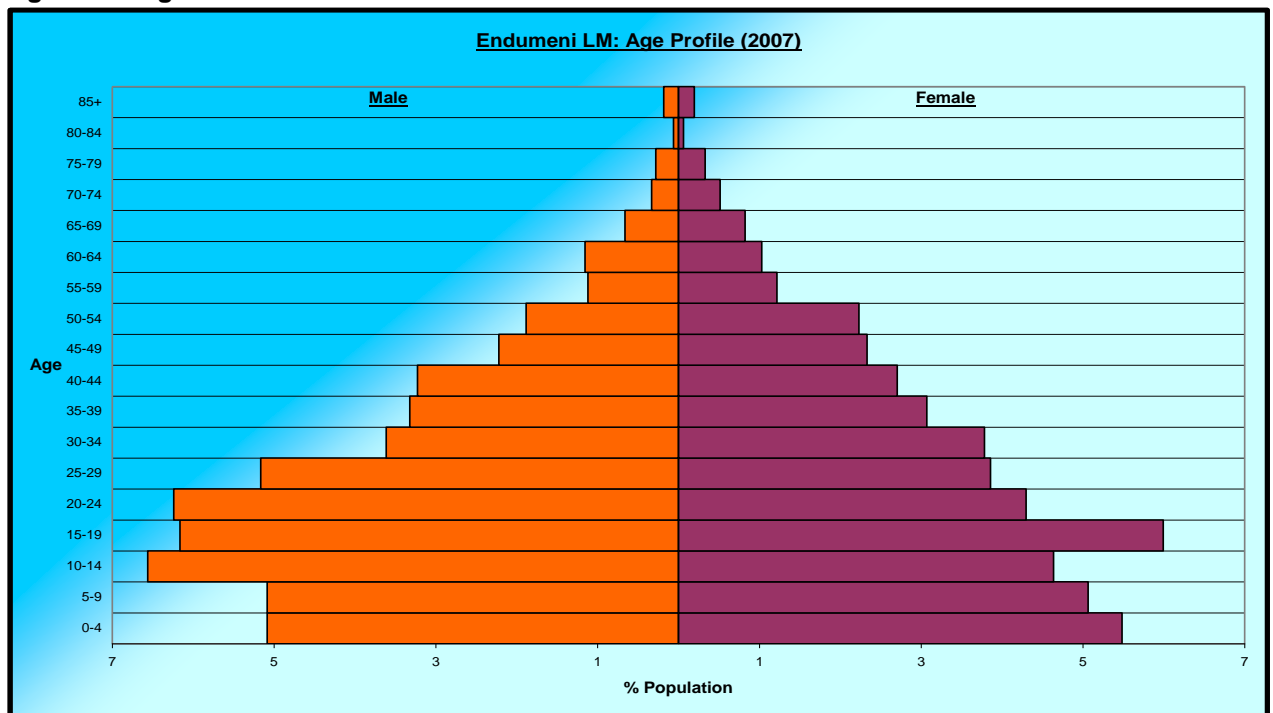
Source: Stats SA; Community Survey 2007

Figure 17: Age Profile eNdumeni LM 2001



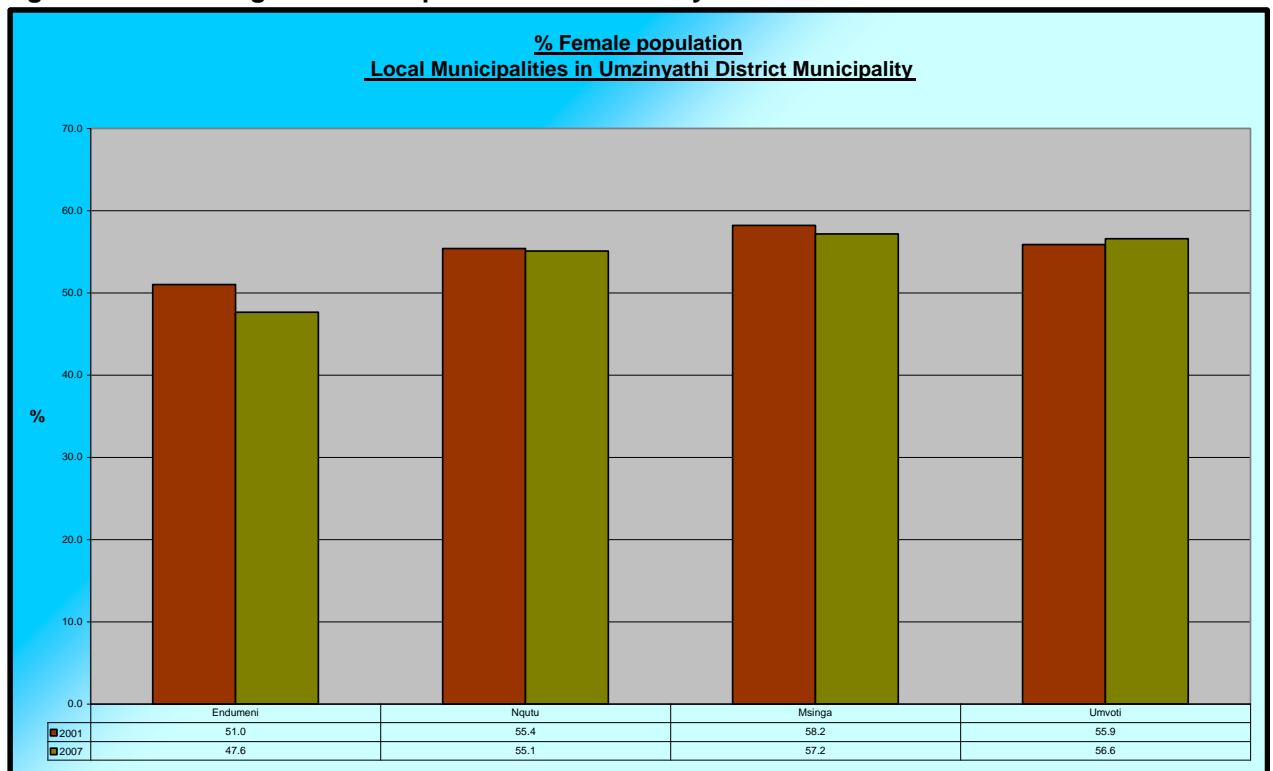
Source: Stats SA; Census 2001

Figure 18: Age Profile eNdumeni LM 2007



Source: Stats SA; Community Survey 2007

Figure 19: Percentage Female Population in the Umzinyathi DM

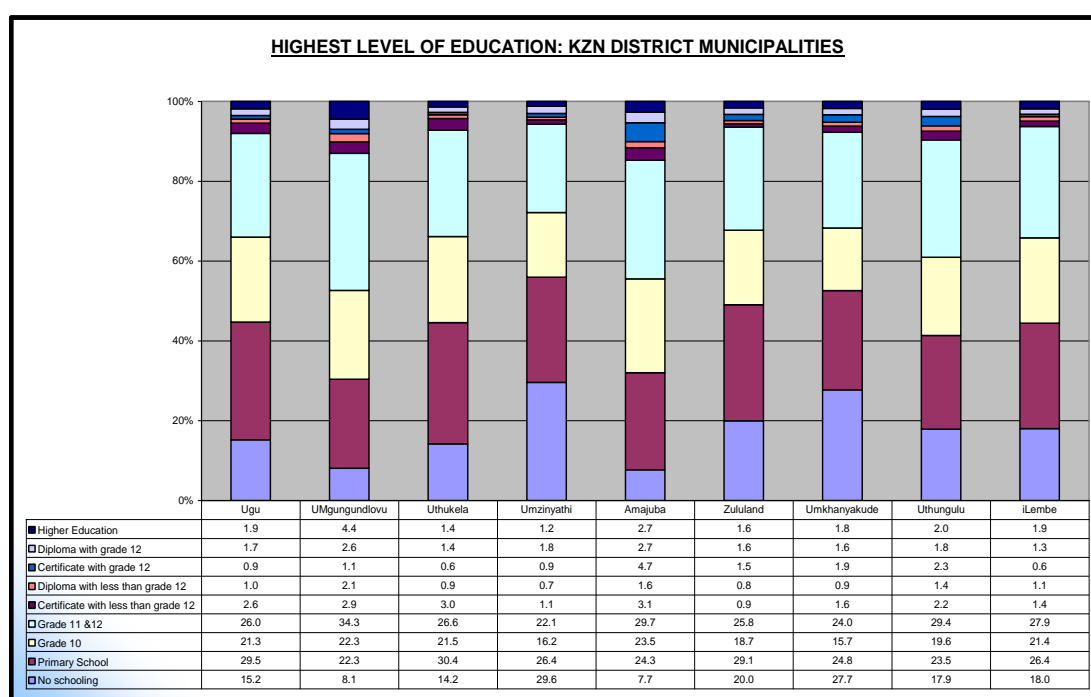


Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

3.3 Education Profile

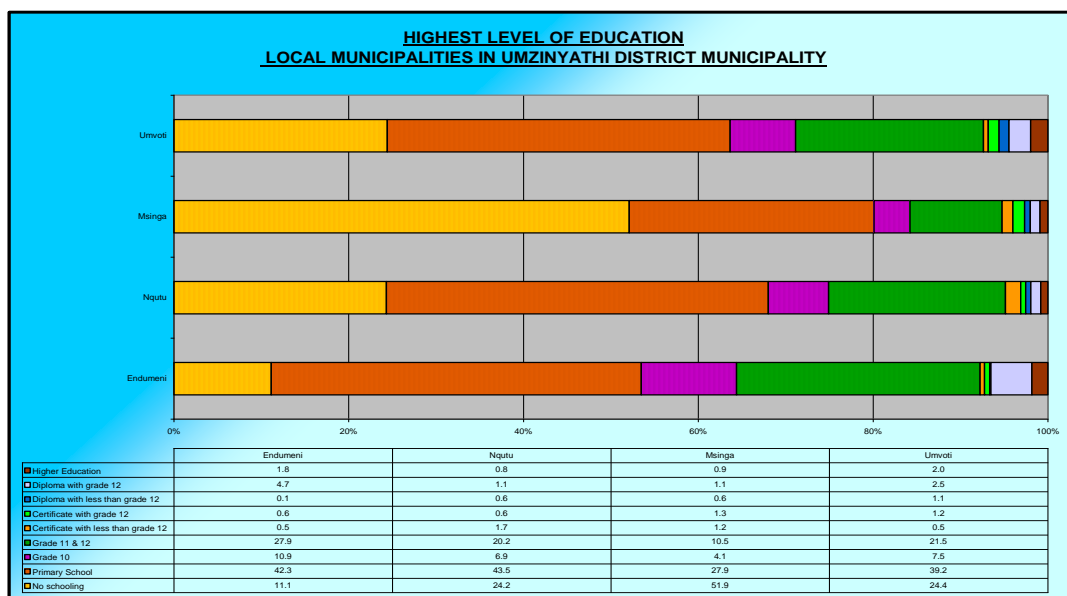
The challenge of low skills levels within the Umzinyathi DM is clearly depicted in Figure 20. These statistics indicate that the Umzinyathi DM has the highest level of illiteracy amongst these adult populations (29.6%) amongst all districts in KwaZulu-Natal. In addition, as much as 26.4% of the adult population has only completed primary school education. Moreover, the Umzinyathi DM is also the area in KwaZulu-Natal with the lowest proportion of its adult population who have completed some form of higher education (1.2%).

Figure 20: Highest level of Education in the KwaZulu-Natal District Municipalities



Source: Stats SA, Community Survey 2007

Figure 21: Highest level of Education in Local Municipalities in the Umzinyathi District



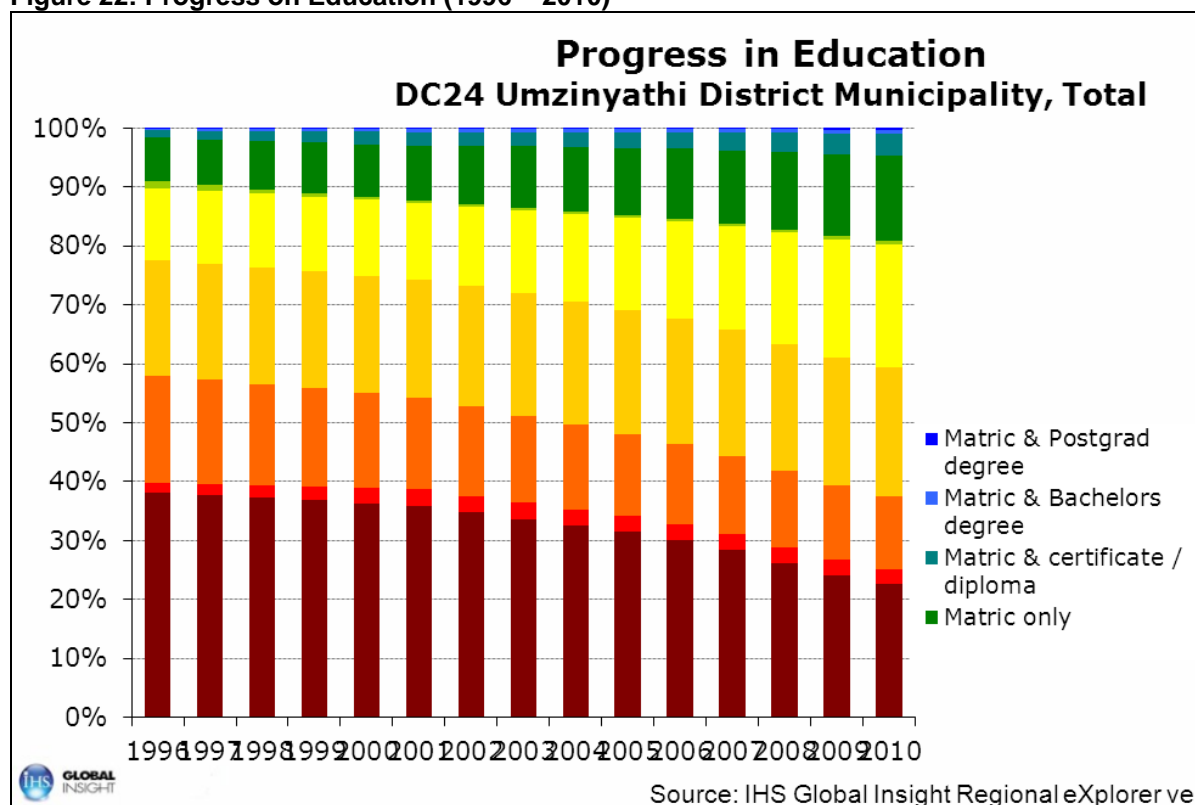
Source: Stats SA, Community Survey 2007

These trends are also prevalent at local municipality level as depicted in Figure 21 which indicates the following:

- The levels of adult illiteracy in the Msinga LM are extraordinary high at approximately 51.9%. The comparative figures in the Nquthu and Umvoti Local Municipalities are around 24%, and the figure for eNdameni LM significantly lower at 11.1%.
- The proportion of adult population in the Nquthu and Msinga Local Municipalities who have completed Grade 12 and with some form of tertiary education is very low at less than 2%. The comparative figure in the Umvoti LM is somewhat higher at 4.5%, and 6.5% for the eNdameni LM at 6.5%.
- The significant concentration of adult population without any form of education in the central parts of the district (specifically around Keates Drift, Tugela Ferry and Pomeroy) is clearly illustrated on the attached thematic map.
- The Global Insight figures indicate that in terms of functional literacy for people over 20 years, the functional literacy rate has increased from 72.25% in 1996 to approximately 95% in 2010.

- In terms of the highest level of education for people 15 years and older, the Global Insight figures indicate that there has been a decline in the number of people with no schooling from 1996 to 2010. The figures also indicate an improvement in the number of people with Grades 10 – 11, Matric only, as well as Matric and some form of post- Matric qualification.

Figure 22: Progress on Education (1996 – 2010)

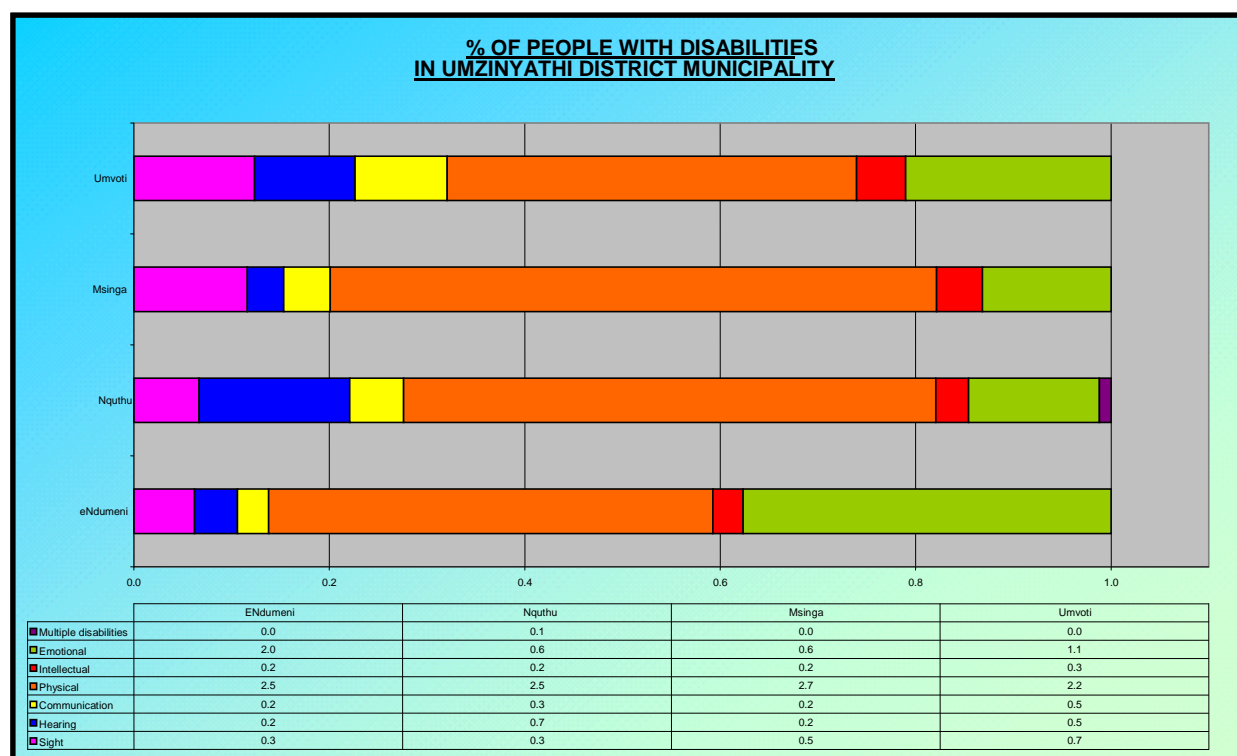


Source: Global Insight 2010

3.4 Disabilities

A total of approximately 4.8% of the population of Umzinyathi are affected by some form of disability. The largest proportion of these individuals is affected by physical disabilities (2.5%). The information Figure 23 further also clearly illustrates that there are no significant differences in the extent of population affected by various types of disabilities in the four local municipalities in the district.

Figure 23: Percentage of people with disabilities in Umzinyathi District Municipality

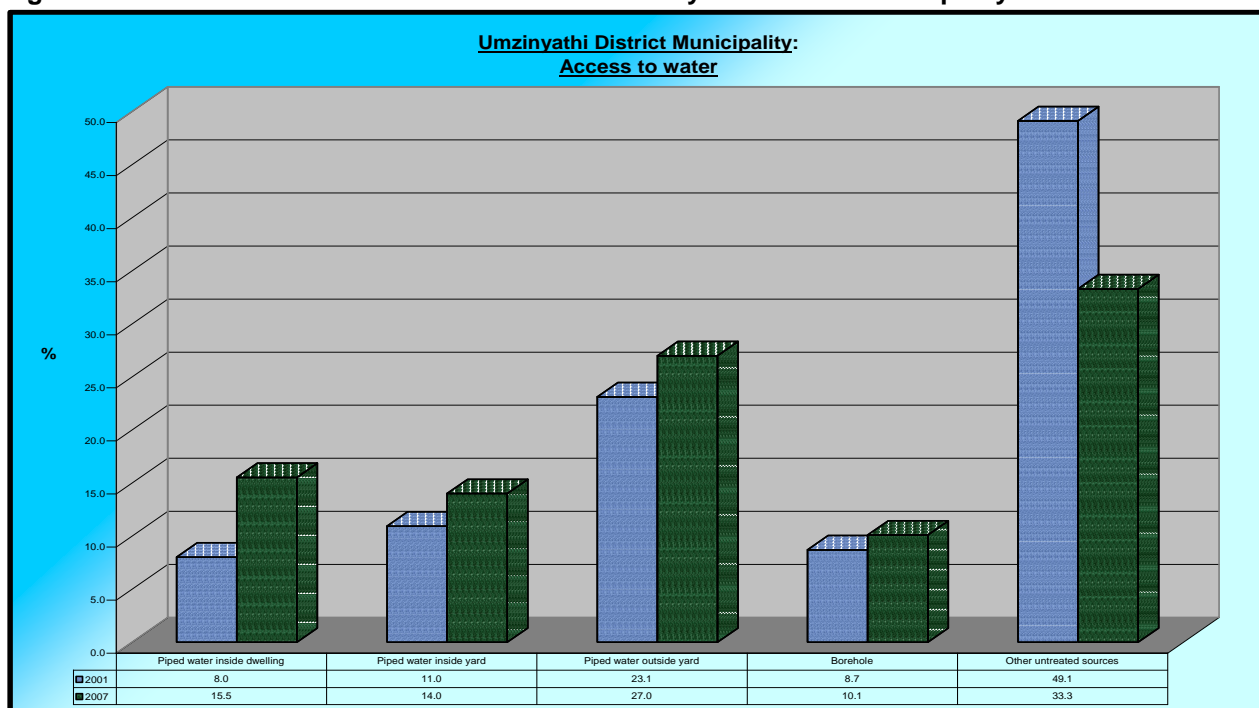


Source: Statistics SA, Community Survey 2007

3.5 Access to Water

The provision of basic water infrastructure within the Umzinyathi DM has shown significant improvements over the period 2001 to 2007. The proportion of households receiving piped water inside their dwellings nearly doubled from 8% in 2001 to 15.5% in 2007. The proportion of households with piped water inside their yards increased from 11% to 14%, and those with access to piped water outside their yards from 23.1% to 27%. Moreover, over the same period, the proportion of households reliant on other untreated sources of water decreased from 49.1% to 33.3% in 2007. Despite these significant improvements, it also implies that approximately one third of households are still reliant on untreated sources of water.

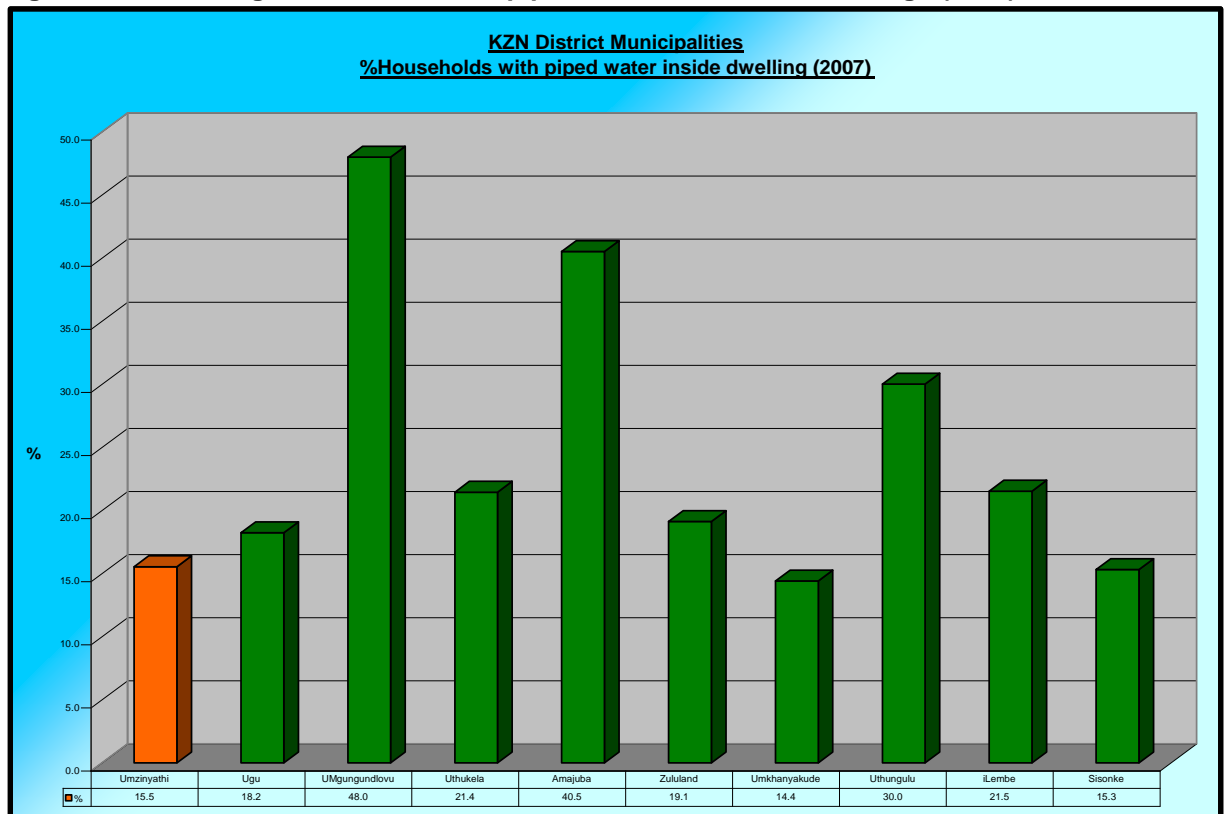
Figure 24: Access to water infrastructure in the Umzinyathi District Municipality



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

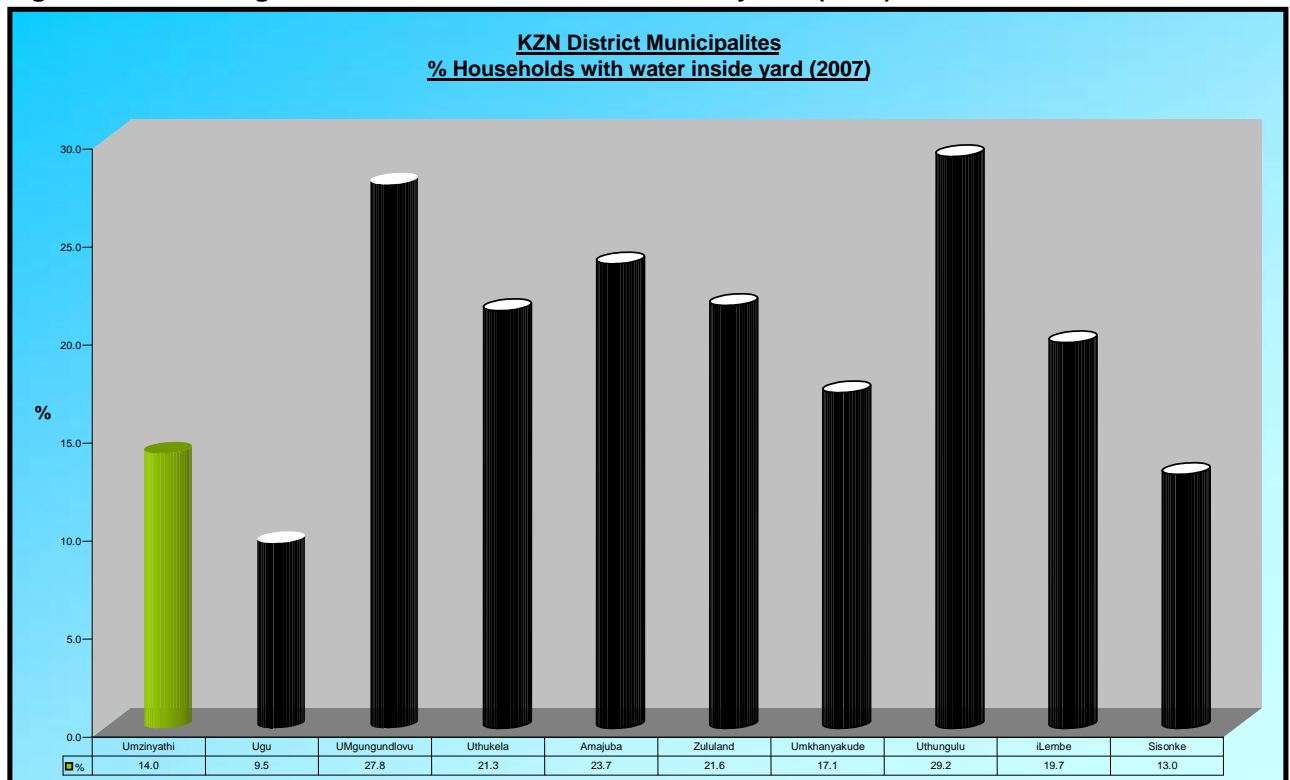
Despite the significant improvements in the delivery of basic water infrastructure in the Umzinyathi DM, the extent of the remaining challenges within a provincial context are clearly depicted in Figures 25 to 27. This information indicates that the 15.5% of households with piped water inside their dwellings in the Umzinyathi DM rates amongst the three lowest figures of the ten districts within the province. At the other end of the scale, the 33% of households in Umzinyathi DM which are still reliant on other untreated sources of water is the third highest figure in Kwazulu-Natal after the Zululand DM (41.8%) and the Sisonke DM (45.5%).

Figure 25: Percentage households with piped water inside their dwellings (2007)



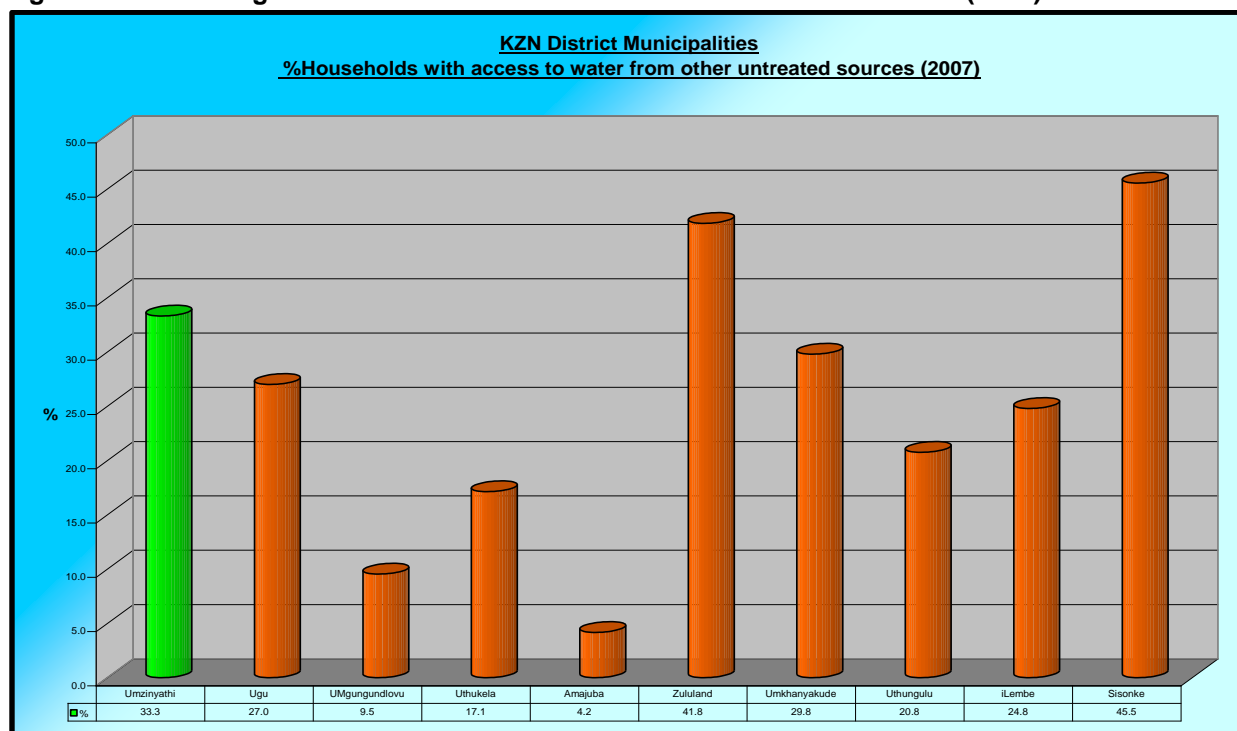
Source: Stats SA; Community Survey 2007

Figure 26: Percentage households with water inside their yards (2007)



Source: Stats SA; Community Survey 2007

Figure 27: Percentage households reliant on other untreated water sources (2007)



Source: Stats SA; Community Survey 2007

The significant differences in the level of basic water infrastructure in the various local municipalities across the district is clearly depicted on Figure 28 which shows the proportion of households reliant on untreated sources of water. This figure range from as low as 5.7% of households in the eNdumeni LM, to between 23% and 26% in the Nquthu and Umvoti LM's, and a very high figure of 60.8% in the Msinga LM.

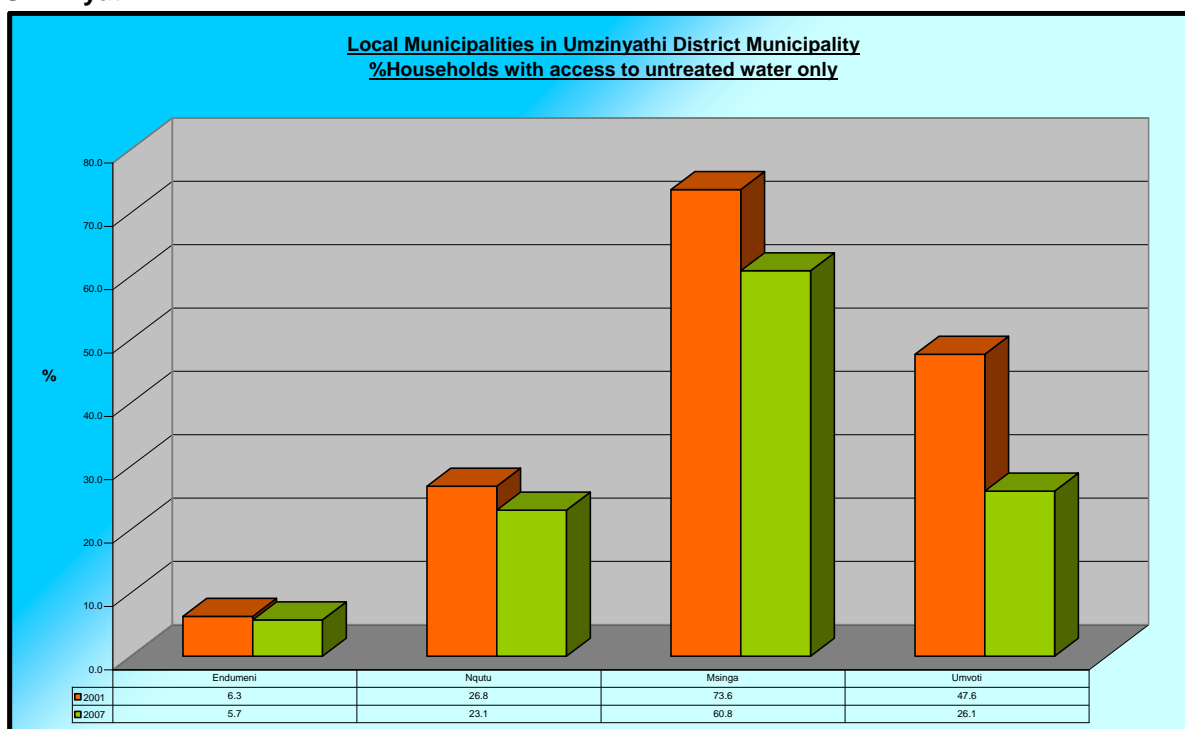
The situation in the various Local Municipalities can be summarized as follows:

- The proportion of households in the eNdumeni LM with piped water inside their dwellings increased from 37.2% to 57.4% between 2001 and 2007.
- Only 3.7% and 12.6% of the households in Nquthu LM had access to piped water inside their dwellings and inside their yards respectively in 2007. However, as much as 51.3% of households did have access to piped water outside their yards. A high proportion of 23.1% still only had access to other untreated water sources.
- A total of 26.6% of households in the Umvoti LM have access to pipe water inside their dwellings and 24.7% to pipe water inside their yards. The proportion of households reliant on other untreated sources of water decreased from 47.6% in 2001 to 26.1% by 2007.
- Less than 1% of households in the Msinga LM had access to piped water inside their dwellings and only 1.5% to pipe water inside their yards by

2007. Conversely, as much as 60.8% of households were still reliant on other untreated sources of water (despite decreasing from 73.6% in 2001).

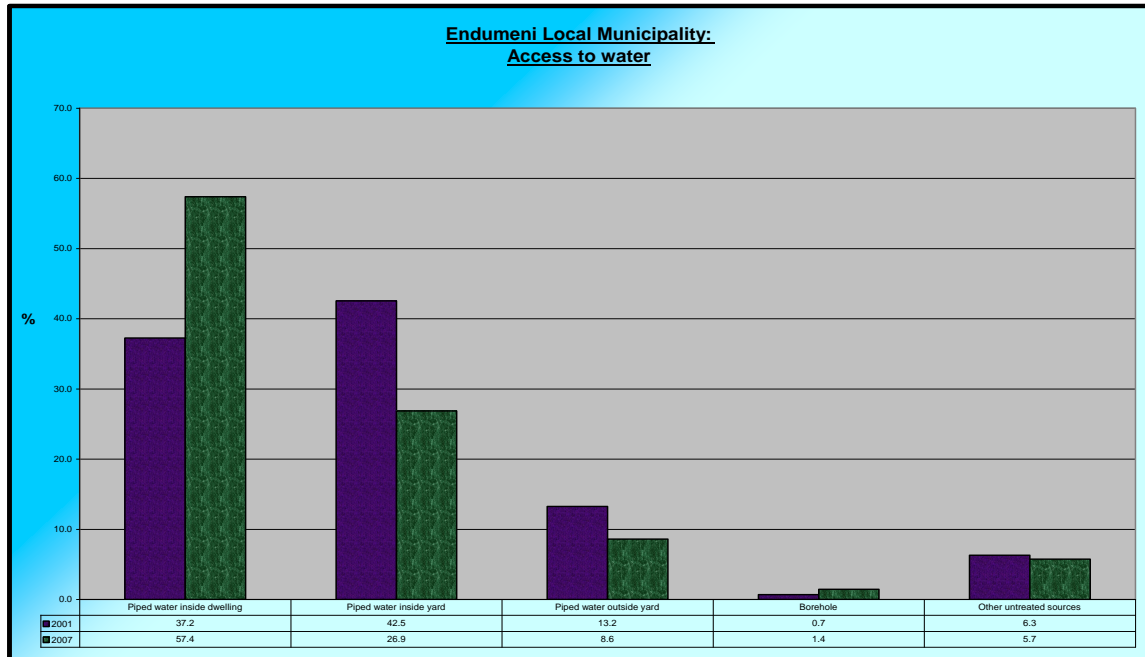
- The spatial distribution of different levels of access to water infrastructure is depicted on the attached thematic map. The very high concentration of households below the minimum level of water infrastructure provision in the Msinga and Nquthu Local municipalities is clearly evident.

Figure 28: Percentage of household with access to untreated water only in the Umzinyathi DM



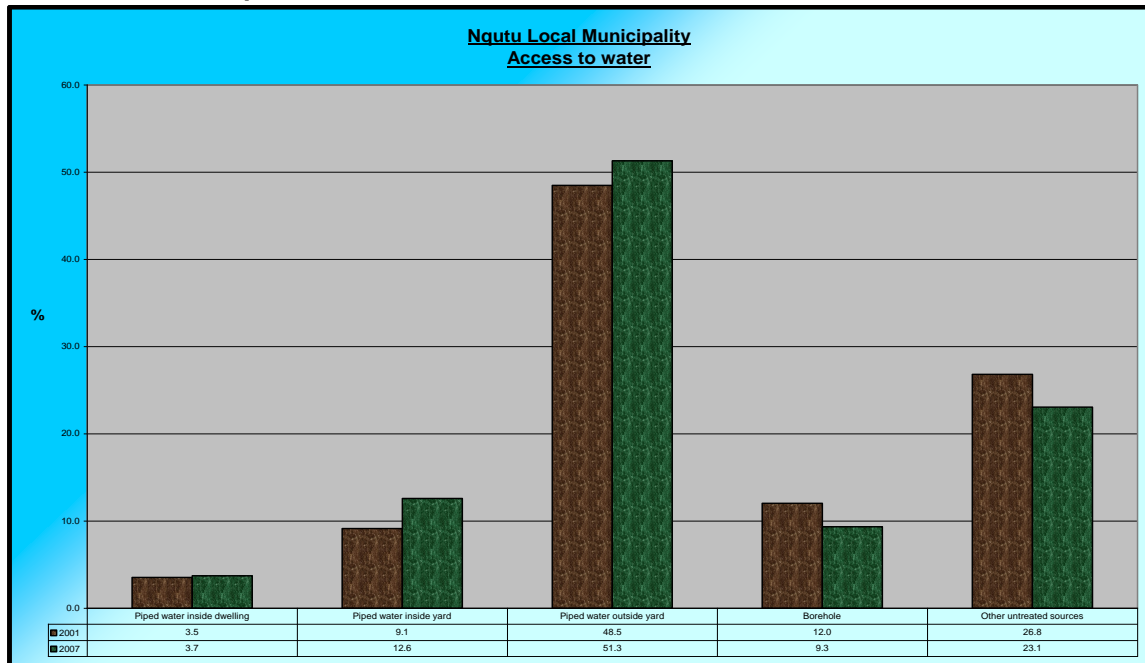
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 29: Percentage people with access to different levels of water infrastructure in the eNdumeni LM



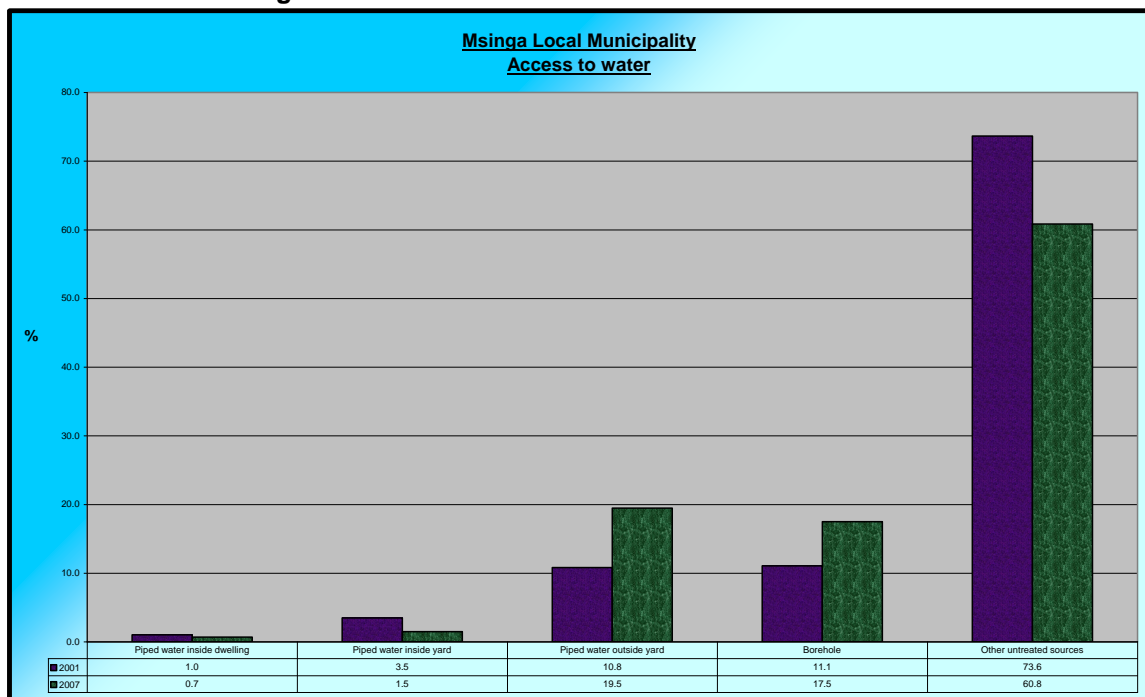
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 30: Percentage of population with access to different levels of water infrastructure in Nquthu LM



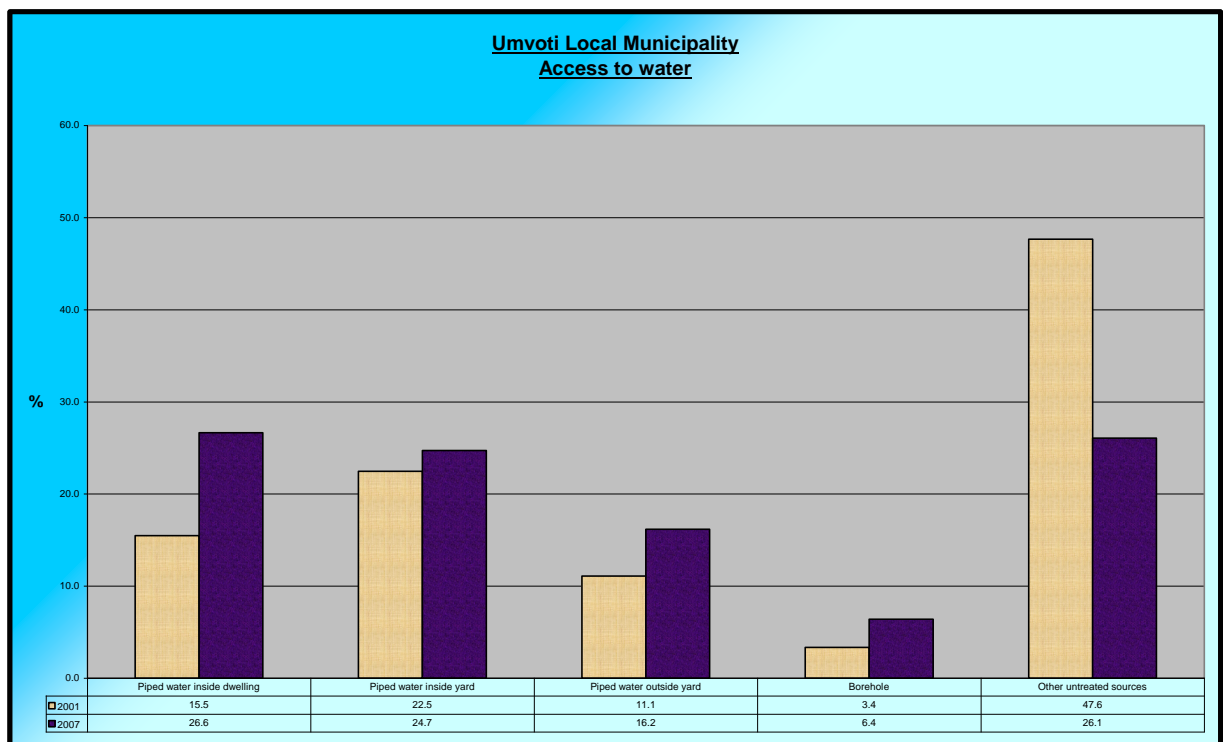
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 31: Percentage of population with access to different levels of water infrastructure in Msinga LM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 32: Percentage of population with access to different levels of water infrastructure in Umvoti LM

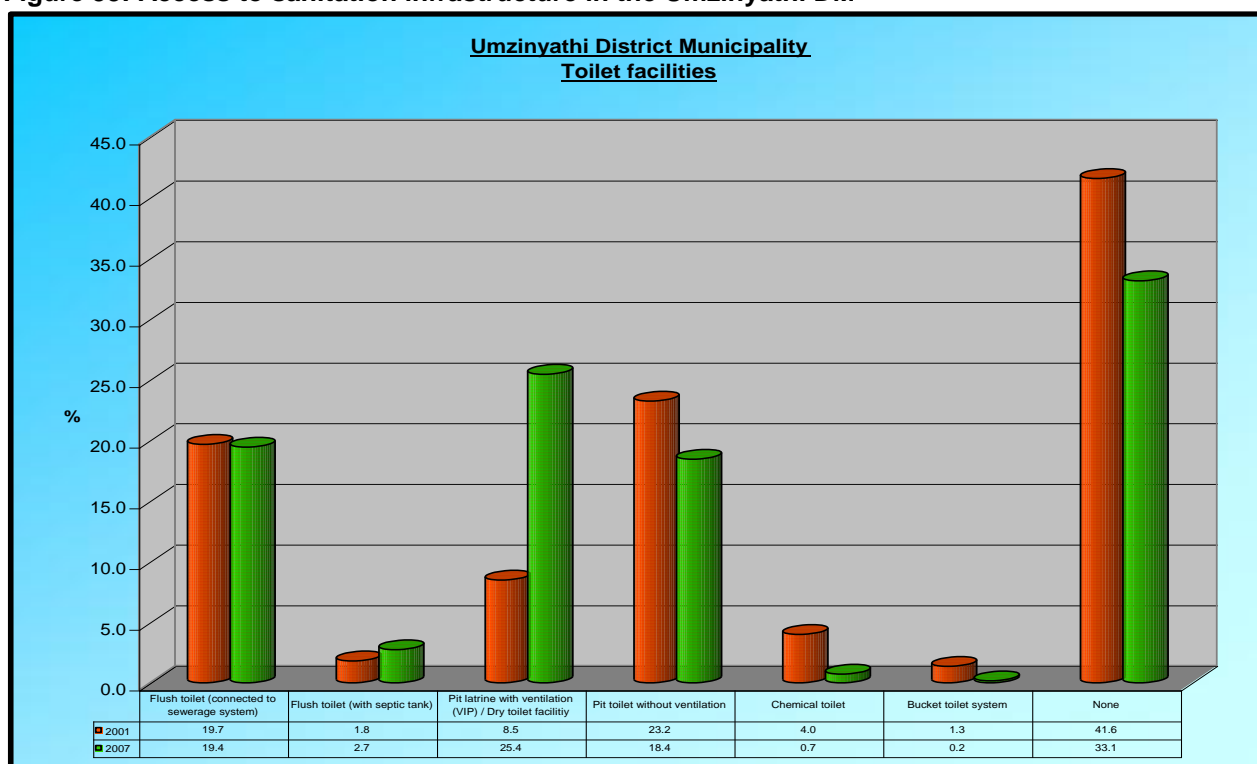


Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

3.6 Sanitation

A comparative overview of the availability of sanitation infrastructure in the Umzinyathi DM is outlined in Figure 33. This information indicates that the proportion of households with flush toilets (either connected to a water borne sewerage system or septic tank) is approximately 22.3%. This figure remained relatively unchanged between 2001 and 2007. A notable feature is the significant progress which has been made with the provision of basic sanitation facilities such as ventilated improved pit latrines (VIP's) and other dry toilet facilities. The proportion of households with access to these types of facilities increased from 8.5% to 25.4% between 2001 and 2007. Over the same period, the proportion of households with access to unimproved pit latrines decreased from 23.2% to 18.4% and those without access to any form of sanitation infrastructure from 41.6% to 33.1%. These figures also imply that as much 52% of all households in the district municipality still did not have access to sanitation facilities meeting the minimum required standards by 2007.

Figure 33: Access to sanitation infrastructure in the Umzinyathi DM

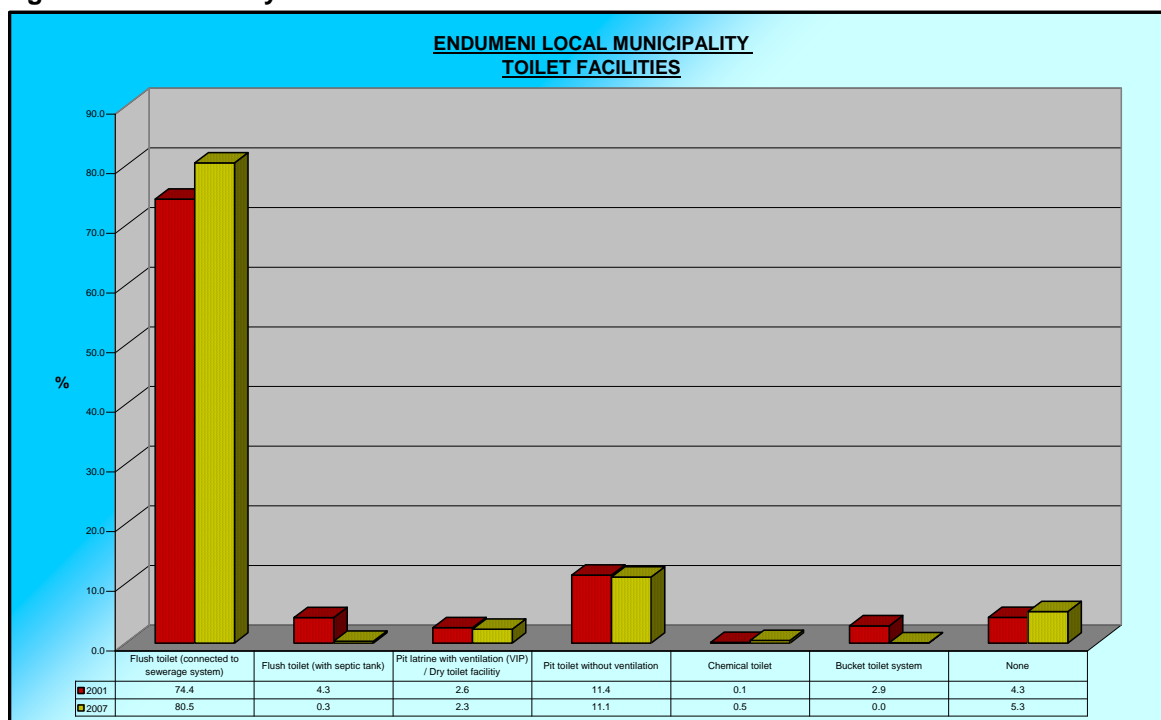


Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

The availability of basic sanitation infrastructure in the various local municipalities within the Umzinyathi DM is summarized in Figures 34 to 37. This information indicates a number of important characteristics:

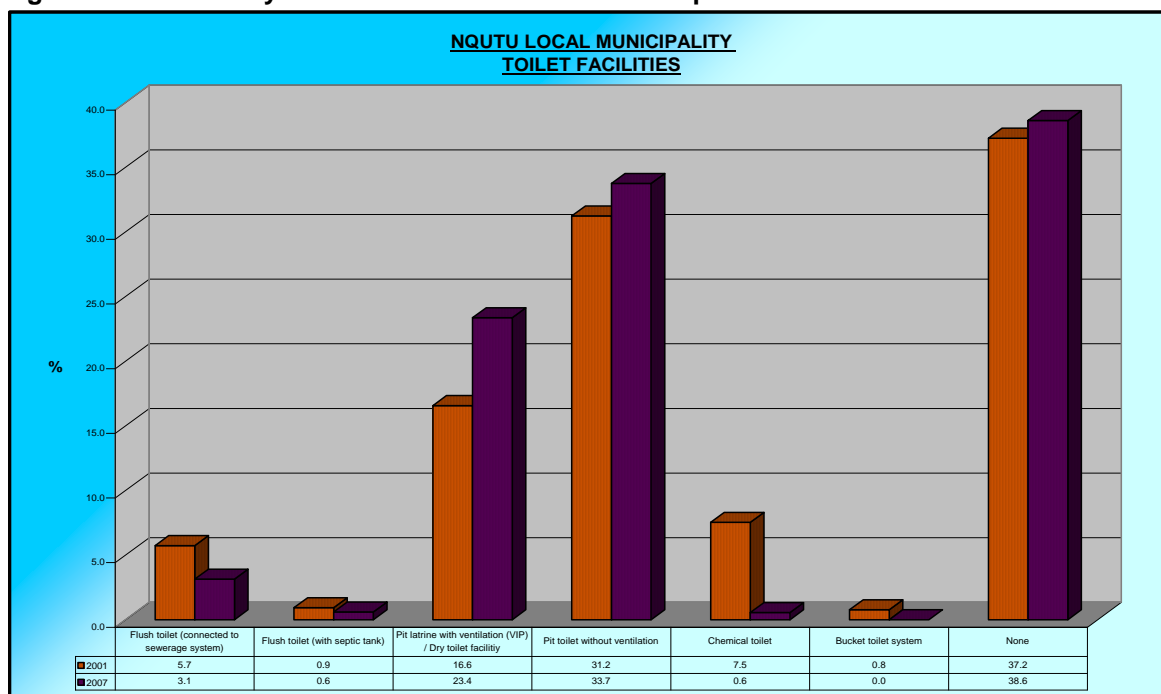
- More than 80% of households in the eNdumeni LM had access to a water borne sanitation system by 2007. Only 11% of households were reliant on unimproved pit latrines and a further 5% were without any form of sanitation facilities.
- The vast majority of households in the Nquthu LM did not have access to sanitation facilities at the minimum required standards by 2007. A total of 38.6% of households did not have any form of sanitation facilities, and a further 33.7% were utilizing unimproved pit latrines. A further notable trend has been the proportional increase in the number of households falling within these two categories. Only 23.4% of all households had access to a Ventilated Improved Pit latrine or other dry toilet facility.
- Significant progress has been made with the provision of basic sanitation infrastructure in the Msinga LM. The proportion of households provided with Ventilated Improved Pit latrines or dry toilet facilities increased from 5.1% to 38% between 2001 and 2007. Over the same period, the proportion of households without any form of sanitation facilities decreased substantially from 70% to 48.9%.
- Substantial progress has also been made in the Umvoti LM with the provision of basic sanitation facilities between 2001 and 2007. The proportion of households with access to water a borne sanitation system increased from 30.8% to 40.3% over this six year period. The proportion of households with access to Ventilated Improved Pit latrines or other dry toilet facilities also increased markedly from 7.8% to 24.4%. Conversely, the proportion of households reliant on unimproved pit latrines decreased from 29.1% to 12.9%, and those without any form of sanitation from 26.3% to 21.3%.

Figure 34: Availability of sanitation infrastructure in eNdumeni LM



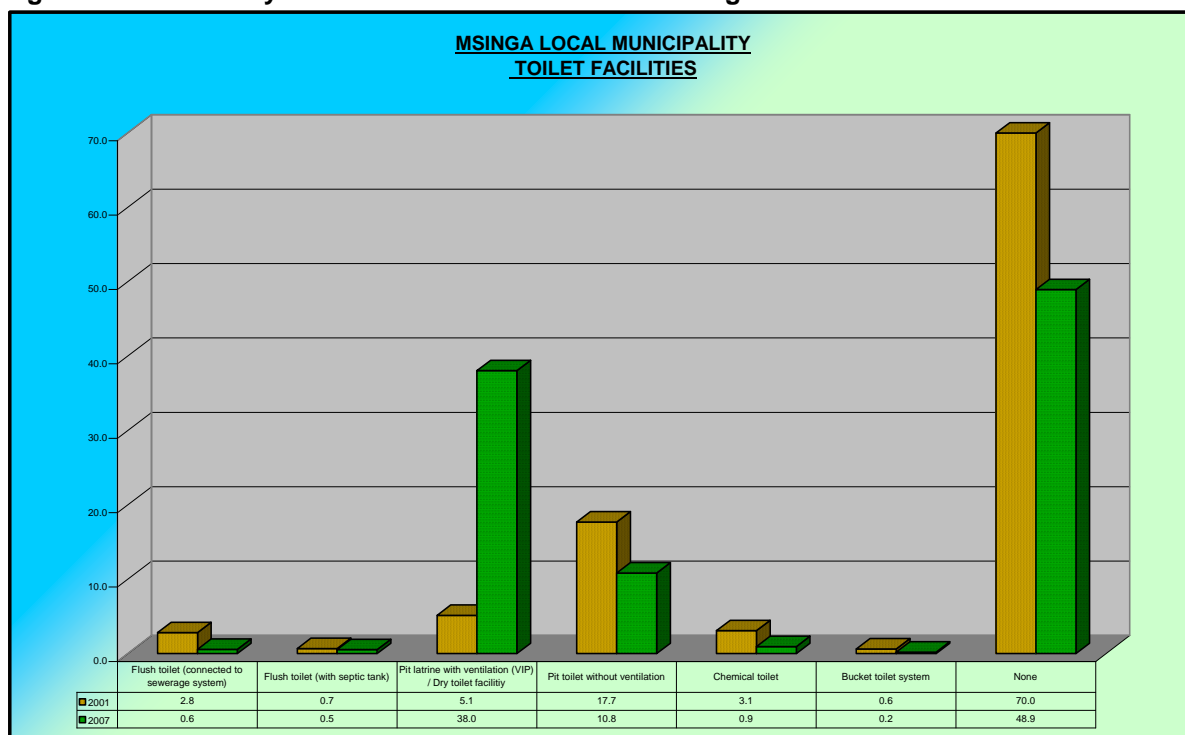
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 35: Availability of sanitation infrastructure in Nquthu LM



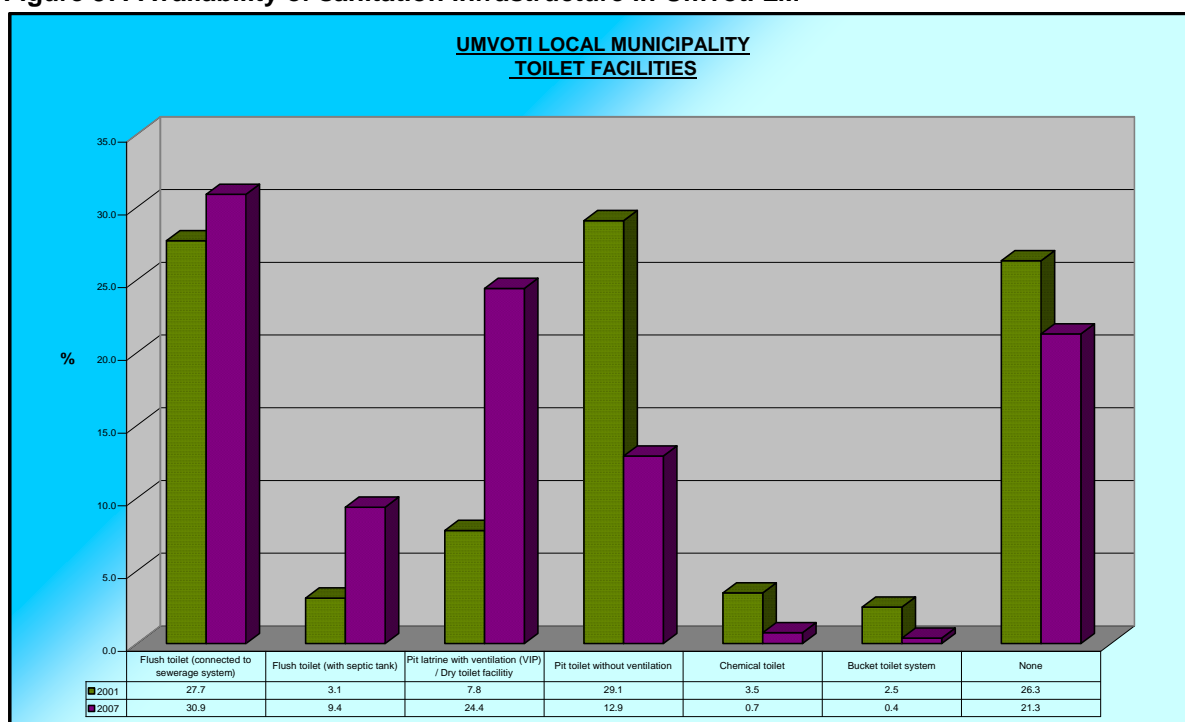
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 36: Availability of sanitation infrastructure in Msinga LM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 37: Availability of sanitation infrastructure in Umvoti LM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

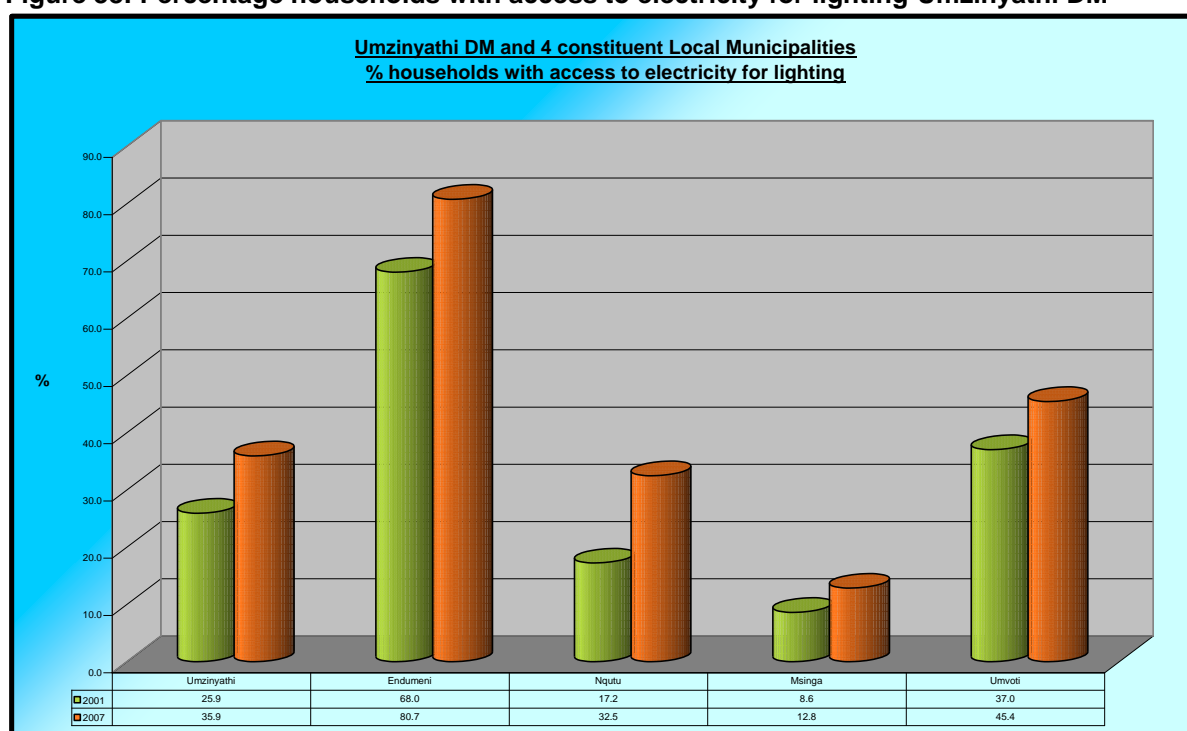
3.7 Electricity

The information depicted in the figure below indicates that significant progress has been made with electrification of the Umzinyathi district between 2001 and 2007. The percentage of households with access to electricity for lighting purposes, have increased from 25.9% to 35.9%. Despite this significant improvement, it still implies that nearly two thirds of the total population of the district does not have access to electricity.

Overall, the levels of electrification in Umzinyathi DM are very low compared to the other districts within KwaZulu-Natal (see Figure 39). This information indicates that the percentage of households electrified in Umzinyathi is the second lowest in the province after the 33.6% of Umkanyakude DM. In most other districts, in excess of 60% of households do have access to electricity for lighting purposes. Significant differences are also prevalent amongst the four local municipalities within the district. The municipal level characteristics can be summarized as follows:

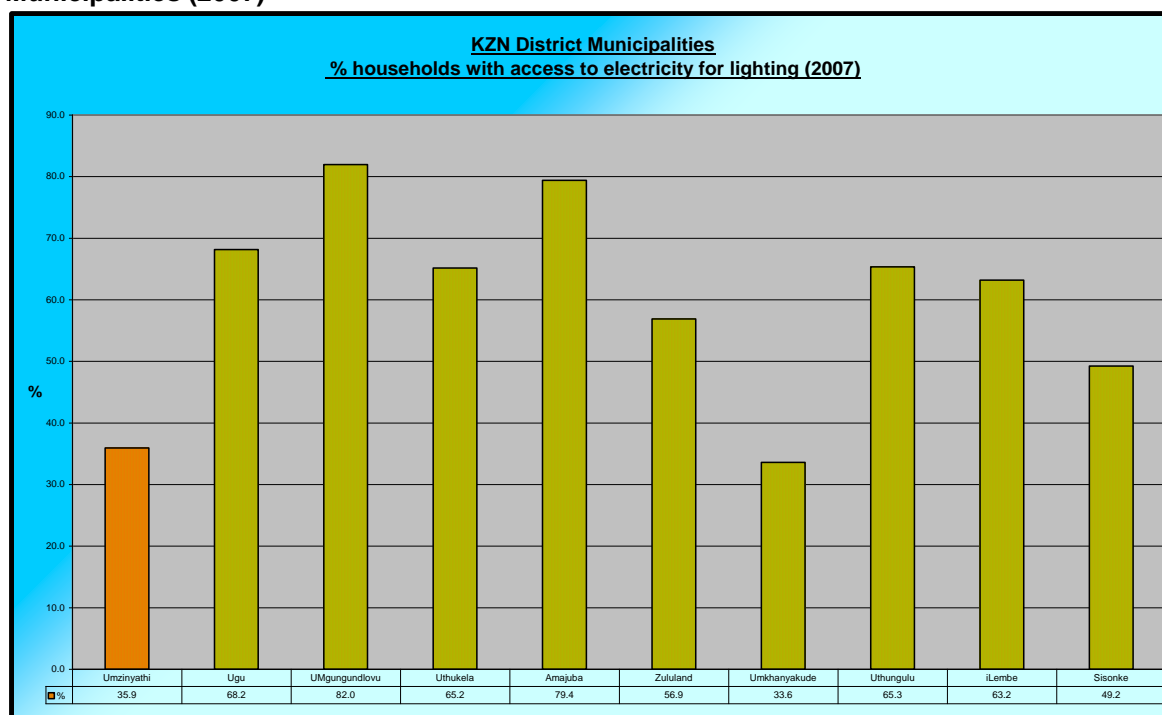
- As much as 80% of households in the eNdumeni LM have access to electricity;
- Although significant progress has been made in both the Nquthu and Msinga LM's, only 32.5% and 12.8% of households did have access to electricity in 2007; and
- Approximately 45% of households in the Umvoti LM had access to electricity for lighting purposes.

Figure 38: Percentage households with access to electricity for lighting Umzinyathi DM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 39: Percentage households with access to electricity for lighting KZN District Municipalities (2007)

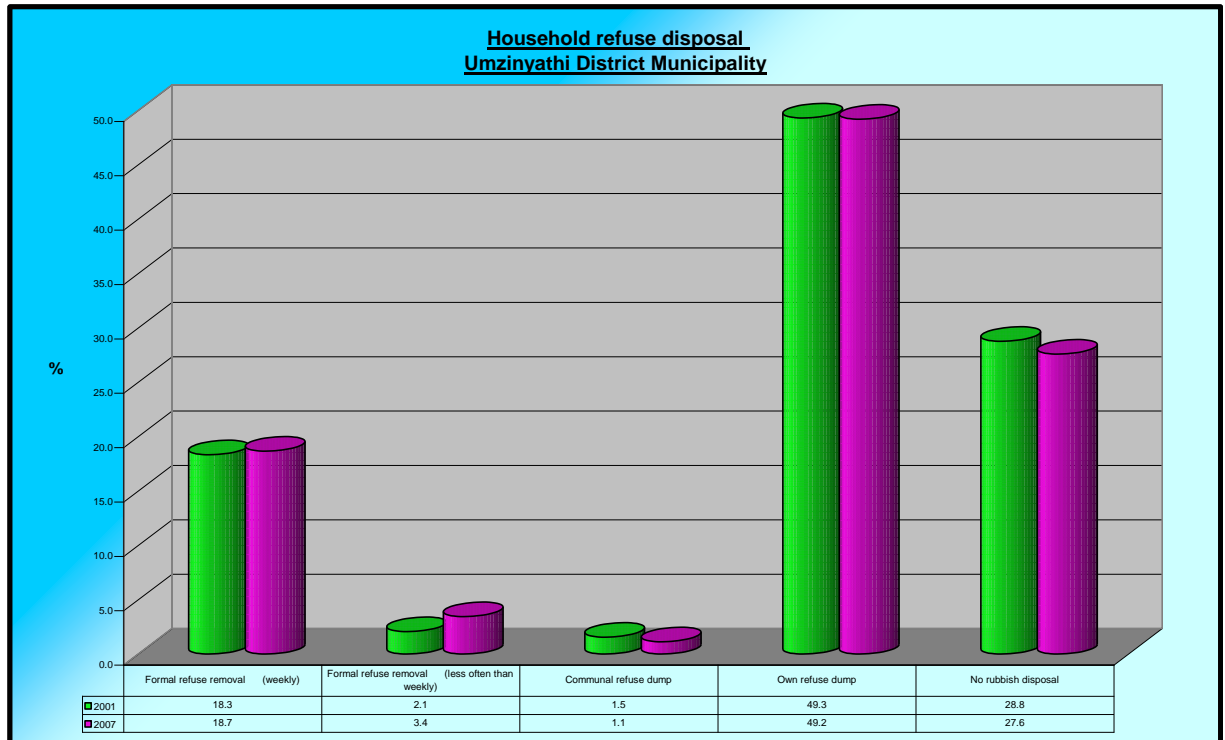


Source: Stats SA; Community Survey 2007

3.8 Waste Disposal

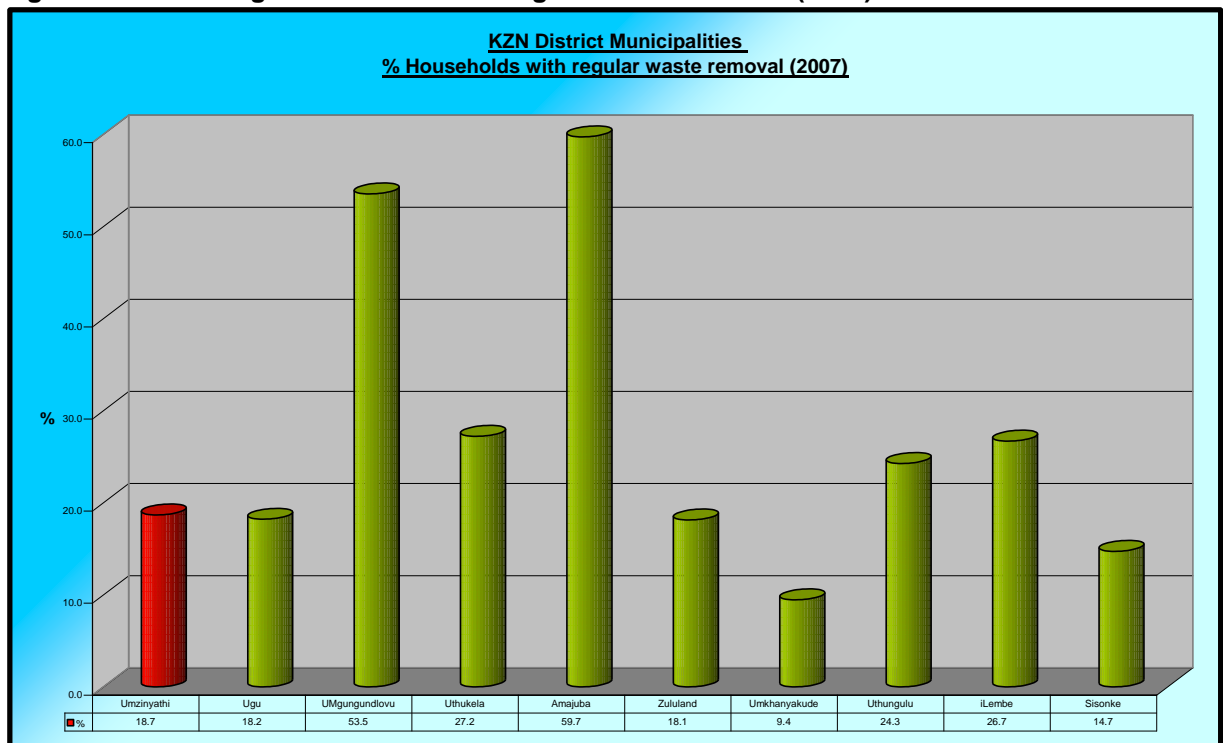
The provision of refuse removal services in Umzinyathi DM is very limited. According to the information in Figure 40 less than 20% of all households in the district receive a regular formal refuse removal service. As much as 49.2% of households make use of their own refuse dumps, and a further 27.6% does not have access to any form of waste disposal service. A further aspect of concern is that the availability of refuse removal services have not improved over the period 2001 to 2007. These low levels of services provision with regards to waste removal services in Umzinyathi DM are not unlike the situation in most other district municipalities within the province (see Figure 34), with figures very similar to those of Ugu, Zululand and Sisonke DM's. These statistics clearly highlights the challenges of providing an effective waste removal services in vast rural communities.

Figure 40: Household refuse disposal Umzinyathi DM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 41: Percentage households with regular waste removal (2007)

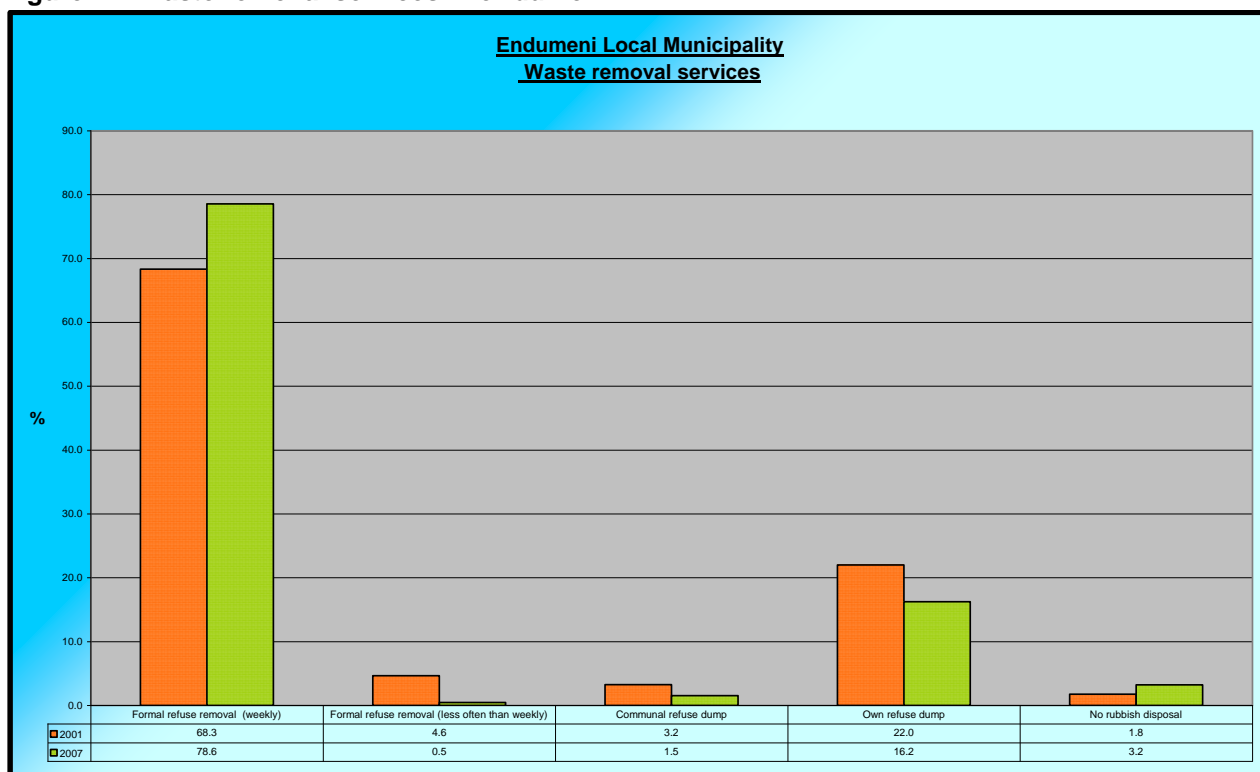


Source: Stats SA; Community Survey 2007

An overview of waste removal services at local municipality level is summarized in the subsequent graphs. This information indicates the following trends:

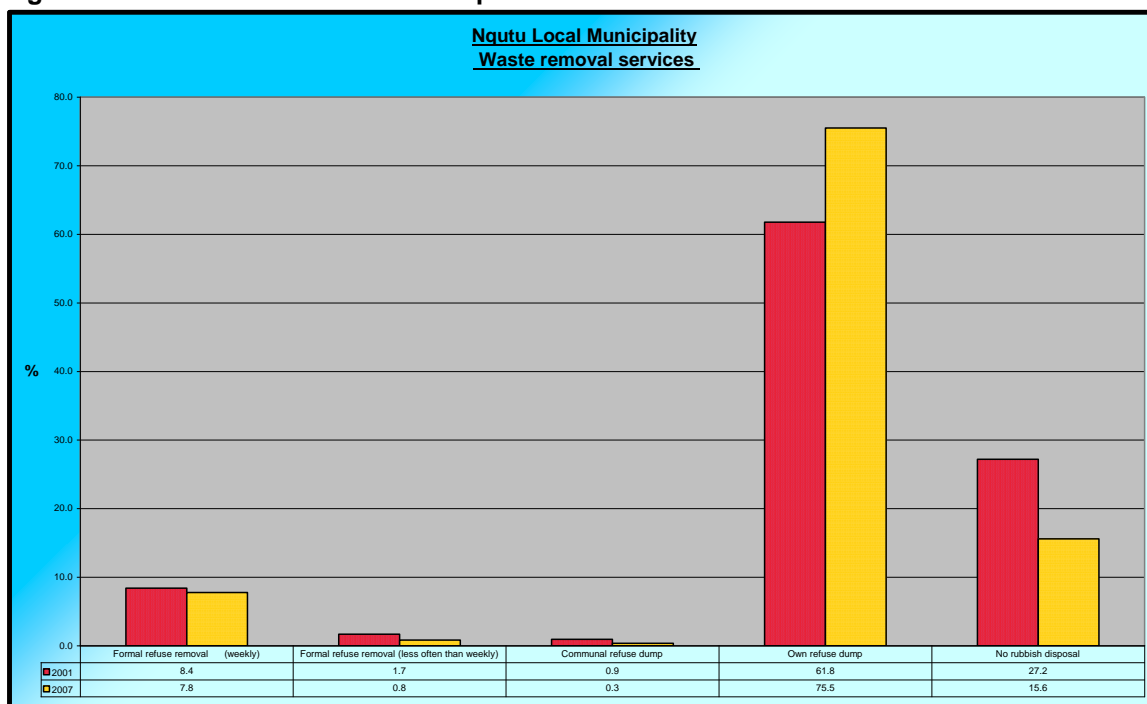
- The majority of households in the eNdumeni LM (78.6%) are provided with a regular formal refuse removal service. Only a small proportion of households makes use of their own refuse dumps or does not have access to any form of disposal.
- The provision of formal waste removal services in the Nquthu LM is very limited and as much as 75.5% of households make use of own refuse dumps, and a further 15.6% does not have access to any form of disposal.
- No formal refuse removal service is rendered in the Msinga LM. As much as 61.4% of households do not have access to any form of waste disposal, with a further 37% utilizing own refuse dumps.
- A total of 23% of households in the Umvoti LM receive a weekly formal refuse removal service. A further 12.3% has indicated a less frequent service. More than 62% of households utilize own refuse dumps or does not have access to any form of waste disposal service.
- The spatial distribution of the availability of municipal refuse removal services is depicted on the attached thematic map.

Figure 42: Waste removal services in eNdumeni LM



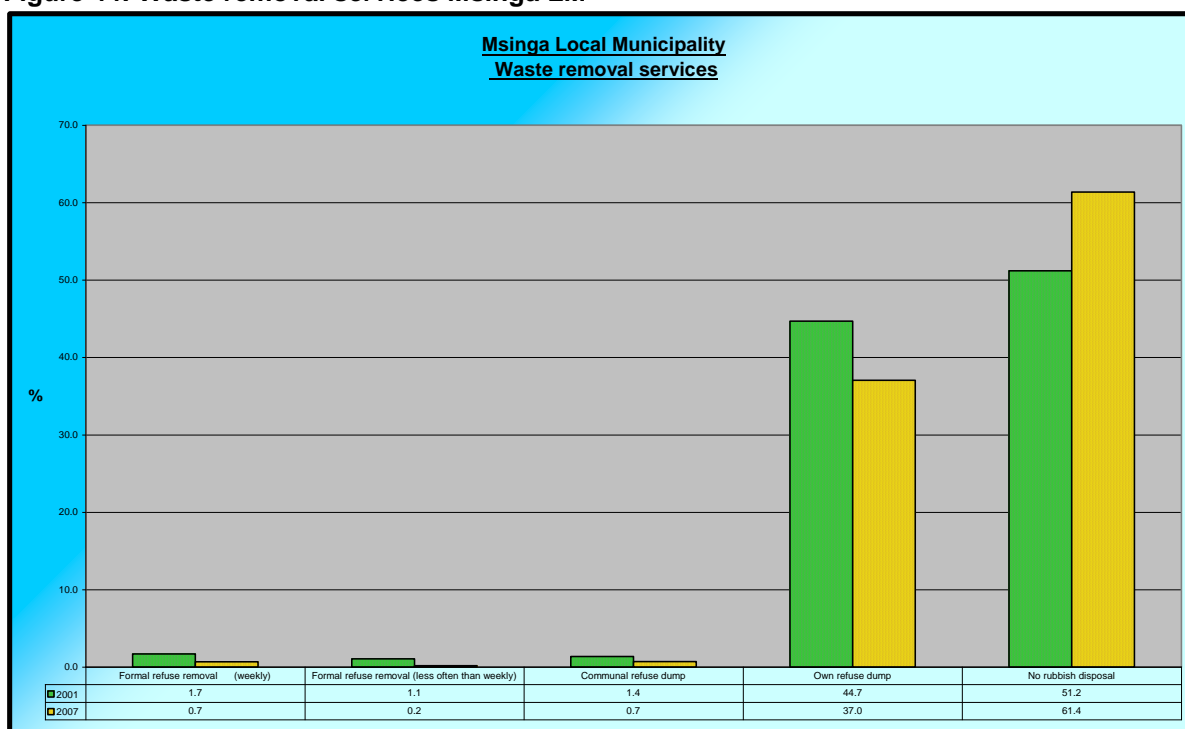
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 43: Waste removal services Nquthu LM



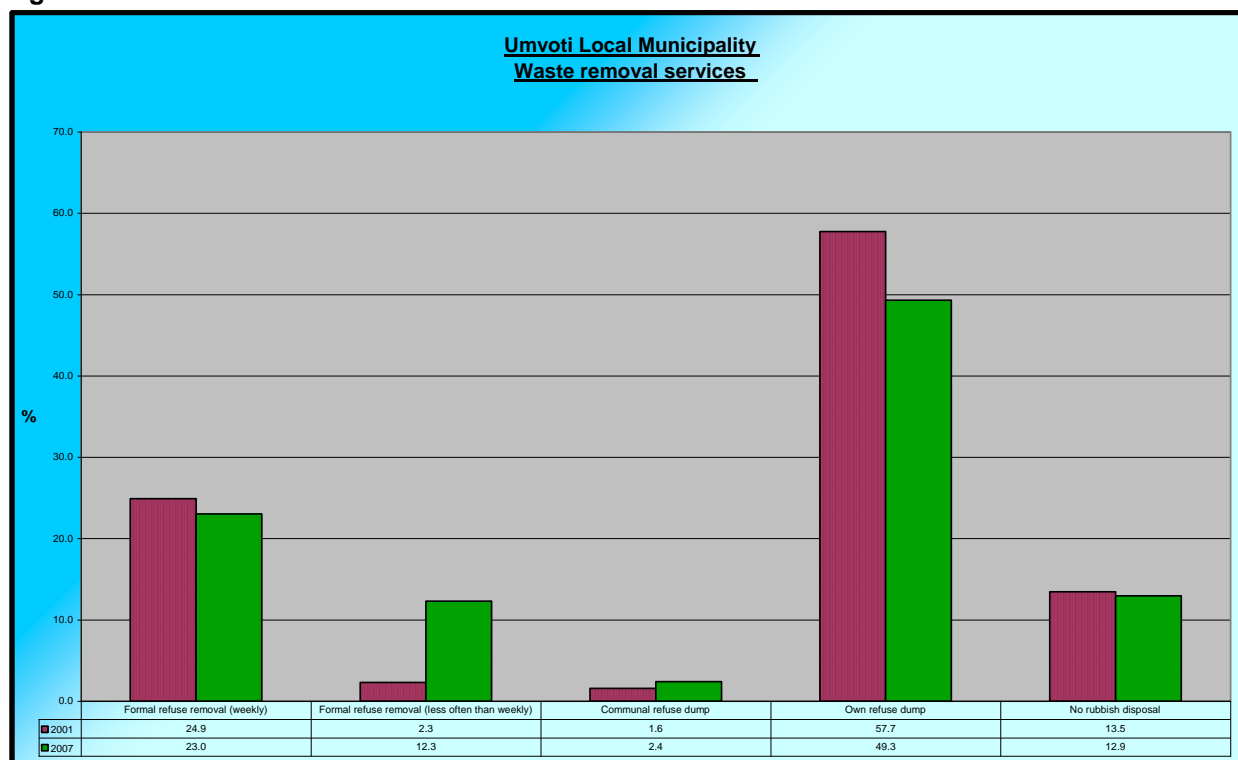
*Source: Stats SA: Census 2001
Stats SA; Community Survey 2007*

Figure 44: Waste removal services Msinga LM



*Source: Stats SA: Census 2001
Stats SA; Community Survey 2007*

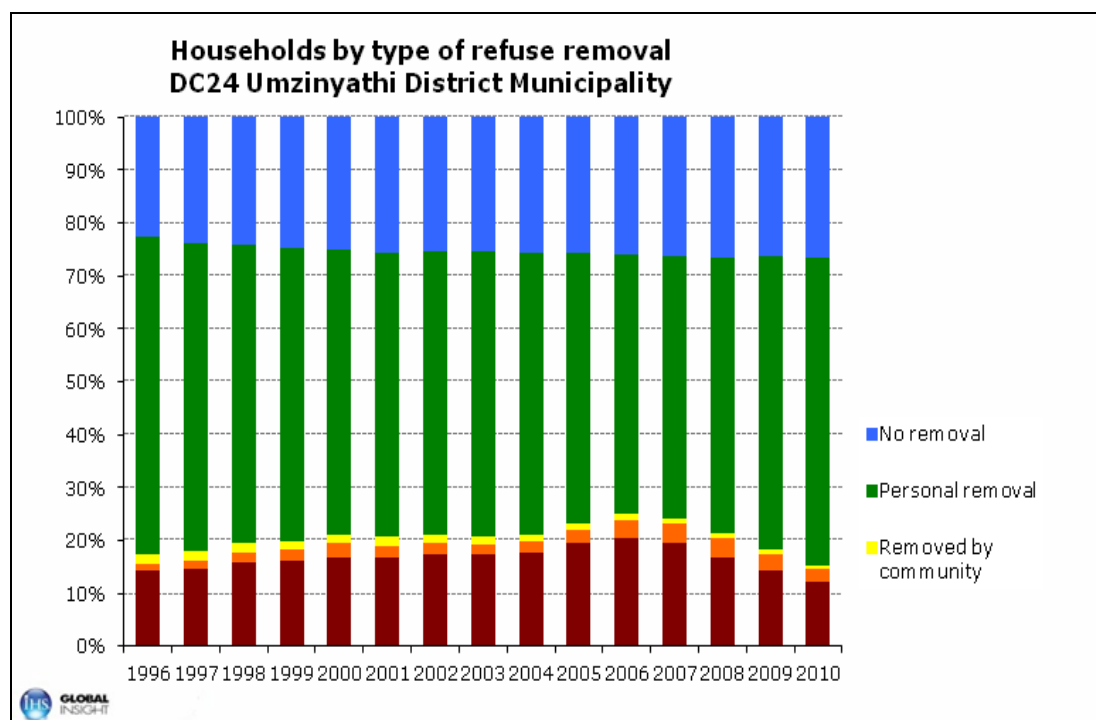
Figure 45: Waste removal services Umvoti LM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

According to the 2010 Global Insight figures, they indicate that a number of households with *no removal* and *personal removal* has improved marginally for the period 1996 to 2010. A very small minority of households have their refuse removed weekly or occasionally. The number of households with formal refuse removal has improved from 15.5% in 1996 to 22.2% in 2010. The refuse removal backlog or households with no refuse removal has, however, increased from 70.08% in 1996 to 82.71% in 2009.

Figure 46: Households by Type of Refuse Removal (1996 – 2010)

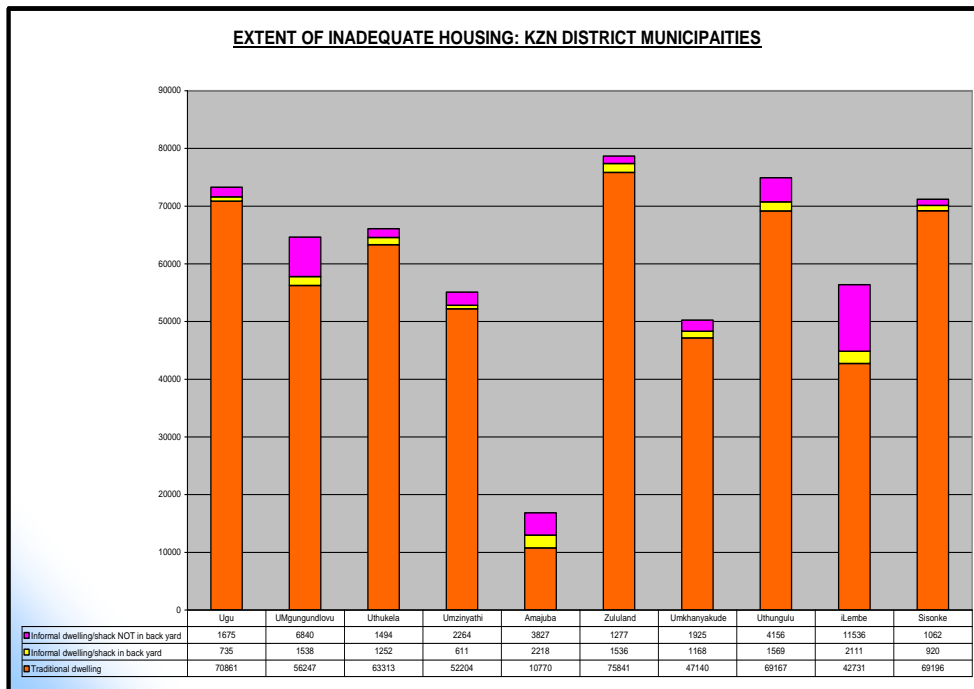


Source : Global Insight (2010)

3.9 Housing

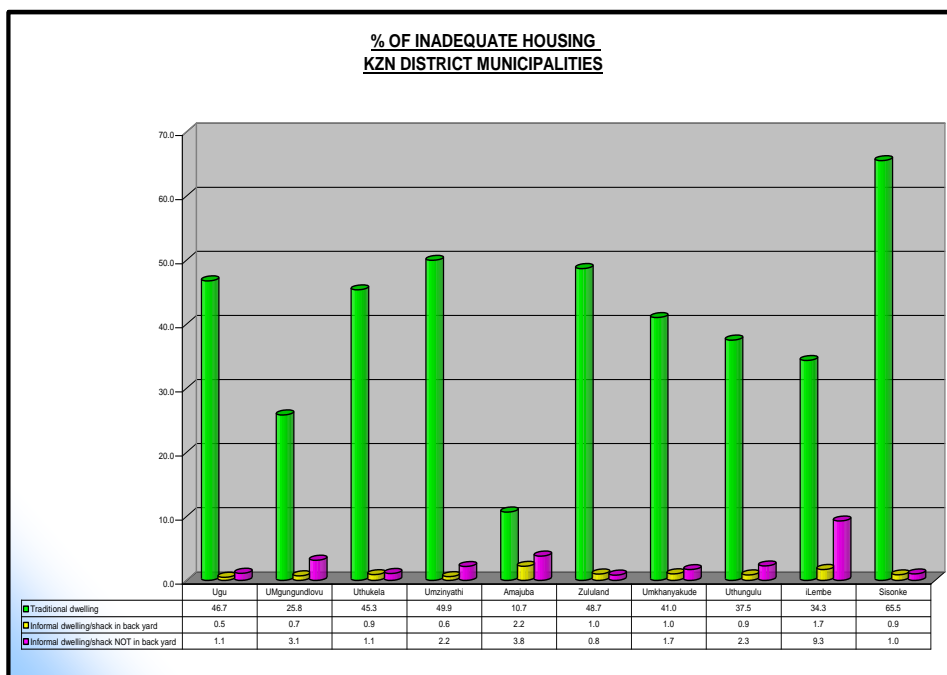
The extent of inadequate housing in Umzinyathi DM is approximately 55 000 units. This figure consists of around 52 000 households residing in houses constructed of traditional materials, approximately 2 200 housing in informal dwellings, and a further 600 in informal dwellings in backyards. There is thus a substantial need for appropriate housing provision across the entire district. The comparative analysis of the proportion of inadequate housing amongst the various districts in KwaZulu-Natal as depicted in Figure 47 indicates that the Umzinyathi DM has the second highest proportion of households residing in traditional dwellings (49.9%) in the province after the Sisonke DM.

Figure 47: Extent of inadequate housing



Source: Stats SA, Community Survey 2007

Figure 48: Percentage of inadequate housing in KZN DM's

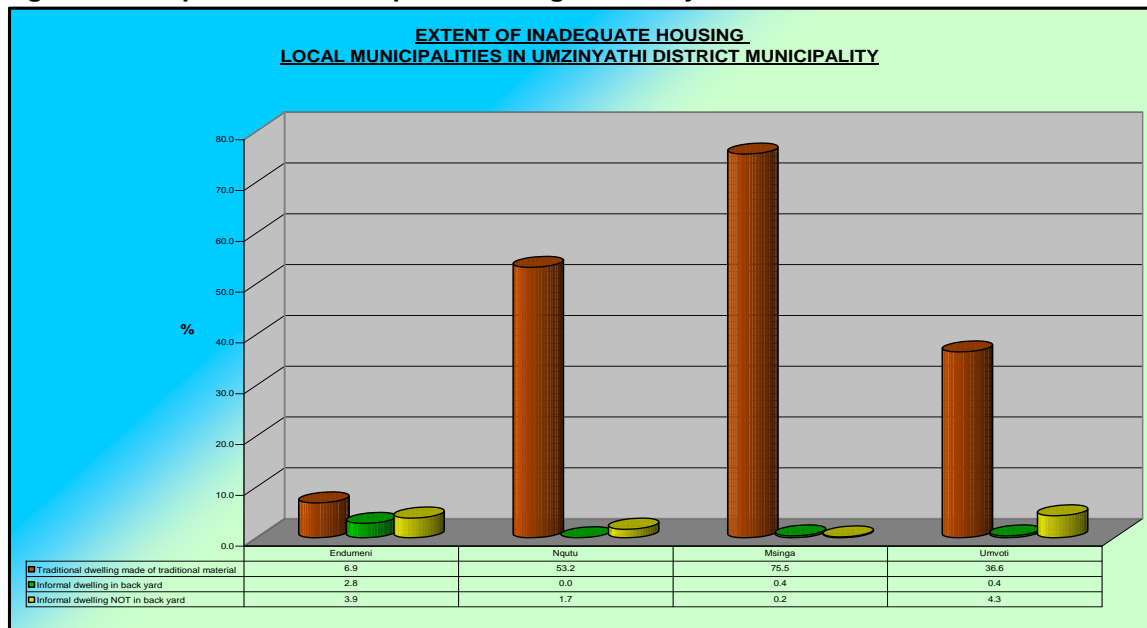


Source: Stats SA, Community Survey 2007

A comparative analysis of the extent of inadequate housing at local municipality level is depicted in Figures 49. This information clearly indicates that the largest proportional housing needs are in the Msinga LM where more than 75% of households are residing in traditional dwellings constructed of traditional materials. The detailed analysis at LM level identified the following key characteristics:

- The majority of households in the eNdumeni LM (68.2%) are residing in formal structures on separate stands. Only 6.9% of households are residing in traditional dwellings, 2.8% in informal dwellings in backyards, and 3.9% in informal settlements.
- As much as 53.2% of households in the Nquthu LM are residing in traditional dwellings constructed of traditional materials. No substantial occurrence of informal settlements or informal dwellings in backyards is prevalent in this area.
- The rural nature of the Msinga LM clearly depicted by the fact that more than 75% of households are residing in traditional dwellings constructed of traditional materials. No substantial occurrence of informal settlements or dwellings in backyards is prevalent in this municipality.
- A total of 36% of households in Umvoti are residing in traditional dwellings, and approximately 4.3% in informal settlements. A substantial proportion of 19.1% are classified in “other” housing categories which may also comprise part of the housing backlog in this area.

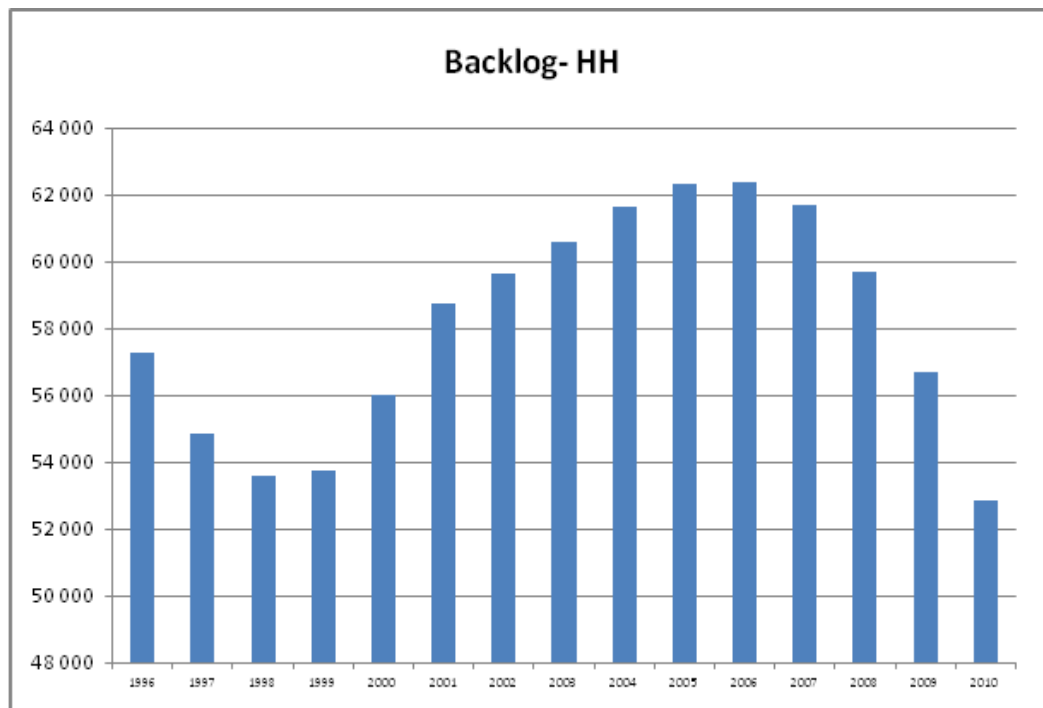
Figure 49: Proportion of inadequate housing in Umzinyathi DM



Source: Stats SA; Community Survey 2007

In terms of Global Insight, there has been a noticeable increase in a number of formal dwellings from 31.7% in 1996 to 48.6% in 2010. Hence, the number of traditional types of dwellings is steadily decreasing. This calls for concerted efforts from local municipalities and provincial department of Human Settlement to expedite the implementation of housing programme in UMzinyathi. In light of the graph below the backlog is on a decreasing trend as from 2007 to 2010.

Figure 50: Housing Backlog

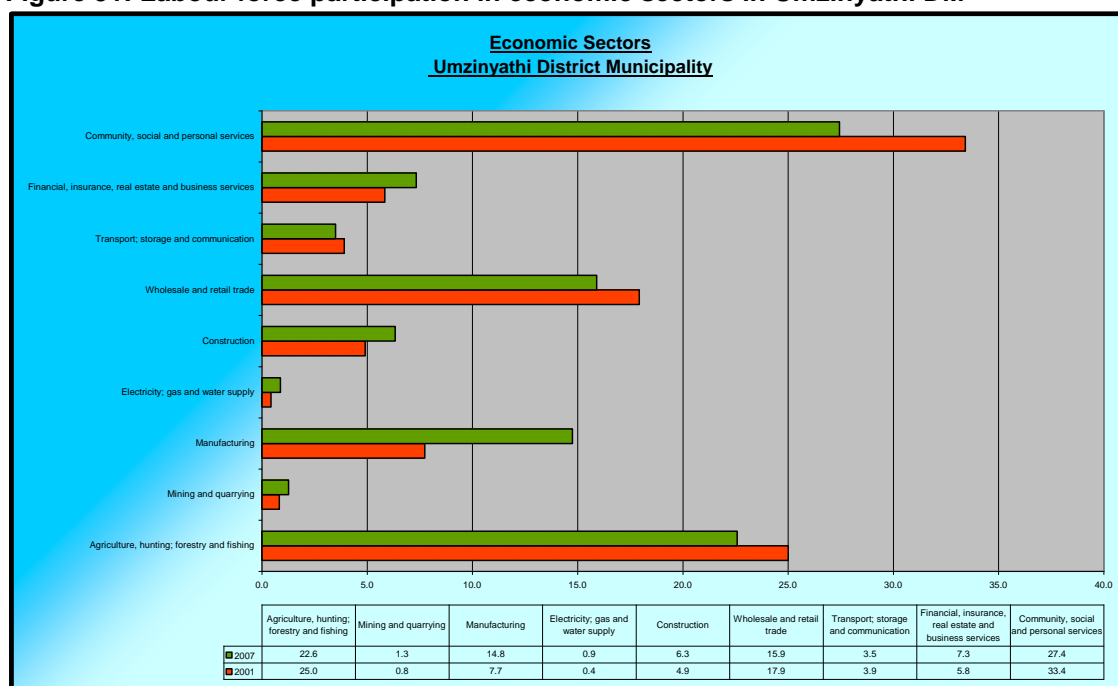


Source: Global Insight

3.10 Economic Structure

The participation of the labour force in various economic sectors in the Umzinyathi DM is depicted in Figure 51. This information indicates that the main sources of employment in the district are the Community, Social and Personal Services Sector (33.4%); the Agricultural Sector (25%); and the Wholesale and Retail Trade Sector (17.9%). The contribution of the Community, Social and Personal Services Sector decreased somewhat from 33.4% to 27.4% between 2001 and 2007, and that of Agriculture from 25% to 22.6%. The contribution of the Manufacturing Sector as source of employment has increased notably from 7.7% to 14.8% over the same period.

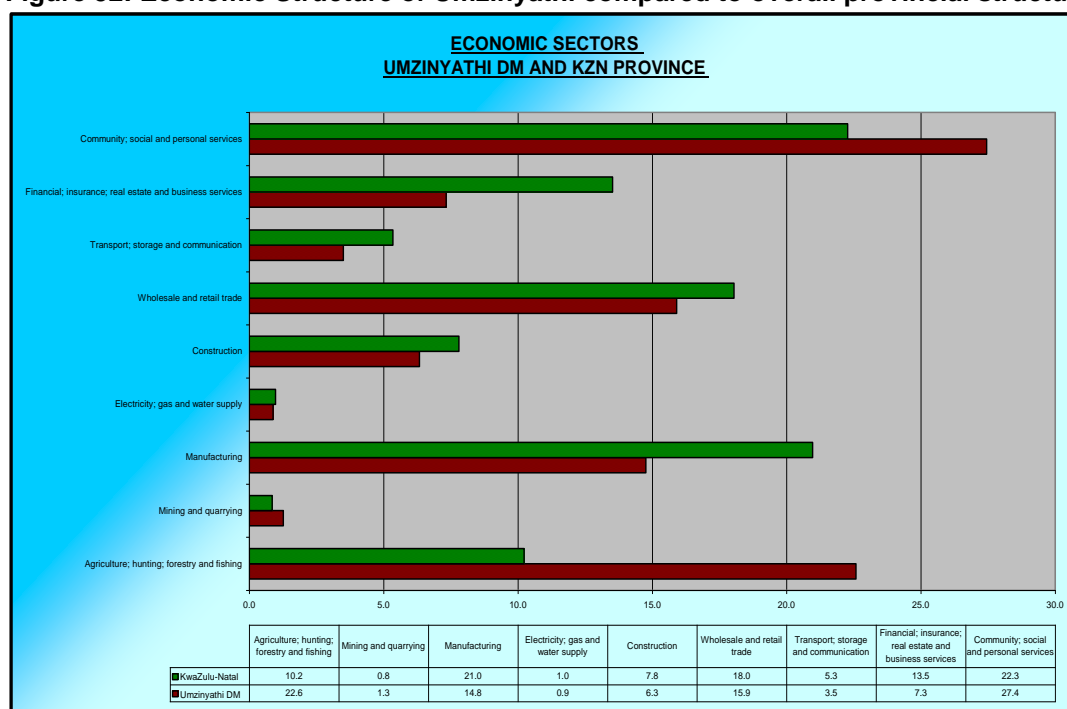
Figure 51: Labour force participation in economic sectors in Umzinyathi DM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

The economic structure of the Umzinyathi DM compared to the overall provincial structure is reflected in Figure 52. The importance of the Agricultural Sector as source of employment in the district is clearly illustrated by the fact that 22.6% of the employed population in Umzinyathi DM is involved in the Agricultural Sector, compared to only 10.2% at provincial level. In view of the rural nature of the Umzinyathi DM it is clear that the role of the secondary and tertiary sectors is much less significant in Umzinyathi compared to the overall provincial figures. The importance of general governance services as source of employment in the district is also evident.

Figure 52: Economic Structure of Umzinyathi compared to overall provincial structure



Source: Stats SA; Community Survey 2007

The economic characteristics at local municipality level can be summarized as follows:

- The main sources of employment in the eNdumeni LM in 2007 was the Community, Social and Personal Services Sector (25.8%); the Agricultural Sector (17.6%); and Manufacturing Sector (14.7%). The largest proportional changes took place in the Community, Social and Personal Services Sector which decreased from 35.2% to 25.8% between 2001 and 2007, whereas the contribution of the Construction Sector increased from 5.3% to 11.6% and that of the Manufacturing Sector from 8.1% to 14.7% over the same period.
- The major contributors of the employment in the Nquthu LM in the Community, Social and Personal Services Sector (31.2%); the Agricultural Sector (21.2%); and the Wholesale and Retail Trade Sectors (19.1%). The largest proportional changes occurred in the Community, Social and Personal Services Sector where the contribution decreased from 36.1% to 31.2%. Over the same period the contribution of the Agricultural Sector improved significantly from 3.7% to 21.2%.
- The main contributors of employment in the Msinga LM are the Community, Social and Personal Services Sector (42.9%); and the Agricultural Sector (12.5%). The largest proportional changes between 2001 and 2007 occurred in

the Wholesale and Retail Trade Sectors (decreasing from 20.9% to 11.2%) and the Manufacturing Sector which increased from 3.9% to 9.7%;

- The importance of the Agricultural Sector in the economy of the Umvoti LM indicates that this sector accounted for more than 29% of employment in 2007. The other notable sectors in this local municipality include the Community, Social and Personal Services Sector; and the Wholesale and Retail Trade Sectors.

A comparative overview of the sectoral contribution to both Gross Domestic Product and employment in the district is summarized in Table 2 below. These figures indicate that the proportional contribution to the various sectors in terms of GDP and employment are very similar in most sectors. Most notable differences are in the agricultural sector which accounts for 22.6% of employment, but only 17% of GDP; as well as in the Construction Sector which accounted for 6.3% of employment and only 2.9% of GDP.

Table No 2: Sectoral Contribution to GDP and employment

ECONOMIC SECTOR	GDP % (2004) ¹	EMPLOYMENT % (2007) ²
Community, social and other personal and general government services	26.5	27.4
Agriculture, forestry and fishing	17.0	22.6
Wholesale & Retail trade Catering & Accommodation	17.5	15.9
Manufacturing	13.0	14.8
Finance & insurance and Business services	10.9	7.3
Transport & Communication	6.7	3.5
Construction	2.9	6.3
Electricity & water	3.3	0.9
Mining	2.1	1.3
TOTAL	100	100

Source: 1. Quantec: Monitor Analysis (2004, Constant 2000 prices) as used in Umzinyathi LED strategy
2. Statistics SA, Community Survey 2007

3.11 Tourism

Tourism development in Umzinyathi is focussed on the Battlefields route, heritage and cultural tours as well as scenery and biodiversity of the area. There are a number of major tourism attractions (resources) that have potential, namely:

Battlefields

- Bambatha Rebellion
- Fort Bengough
- Battle of Rorkes Drift
- Battle of Isandlwana
- Fugitives Drift
- Battle of Blood River

Zulu Heritage, Culture and History

- Ambush Rock
- Arts and craft centres
- Talana Museum

Scenery and biodiversity

- R 33 between Umvoti and eNdumeni
- Uthukela, Mooi, Umvoti and Umzinyathi River valleys
- Kwashushu and Lilani Hot Springs
- Ntumjambili view site
- Ngome Community Game Reserve

3.12 Agricultural Potential

The cultivation in the Endumeni LM is mainly characterized by relatively large areas of commercial dry land activities and dispersed areas of irrigated agriculture. The Nquthu and Msinga Local Municipalities is virtually exclusively used for subsistence dry land type farming activities. The Umvoti LM is characterized by a mix of extensive forest plantations, commercial dry land farming and irrigation farming. There are also significant areas under sugarcane cultivation in the Umvoti area.

The most productive land occurs around Glencoe, while areas with high to moderately high productivity occur in the north western and southern parts of the district. Large areas of moderately high potential are afforested (plantations) and therefore unavailable for agriculture. A large proportion of subsistence farming activities is located on areas with very low agricultural potential due to steep slope and shallow soil profile. This place considerable pressure on the livelihood of these subsistence farmers, and greatly contributes to accelerated environmental degradation due to over-utilisation.

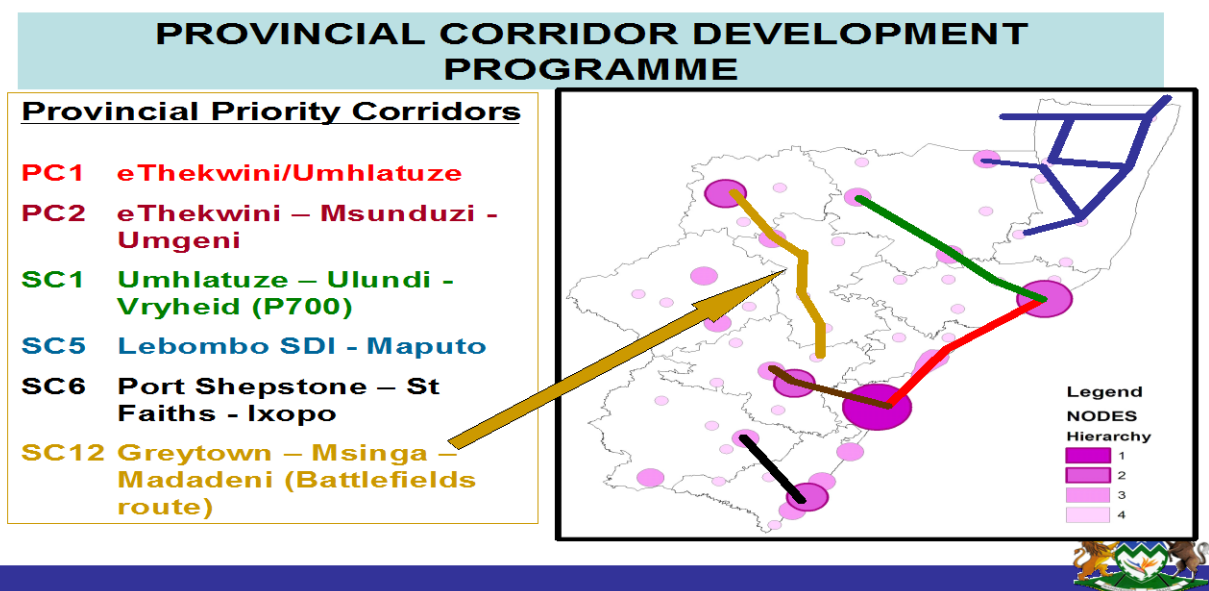
The area has very good grazing potential. This is mainly due to relative high rainfall, relative long growing season (mainly due to relative high temperatures during the rainy season) and favourable soil conditions. It is however important that livestock density should not exceed its limit in terms of carrying capacity. The following map indicate potential maize yield as an indication of crop production potential. Although most of the area has excellent crop production potential, intensive crop production are seldom practiced at a large commercial scale. This is because the area's main competitive advantage is with cattle production.

4. CHALLENGES

Umzinyathi District Municipality is divided spatially and economically between North and south, which are quite distinct with their respective nodes (Dundee and Greytown) separated by a distance of 180 kilometres. The District does not fall within a primary economic corridor or node, it is thus not a priority investment destination for public or private sector in terms of KZN Spatial Economic Development Strategy (2005). It is however an Integrated Sustainable Rural Development node (ISRDP), priority secondary corridors which are economic activity corridors, and they are as follows:

- Greytown – Msinga – Madadeni (SC 12)
- Nkandla – Nquthu – Vryheid (SC 13)

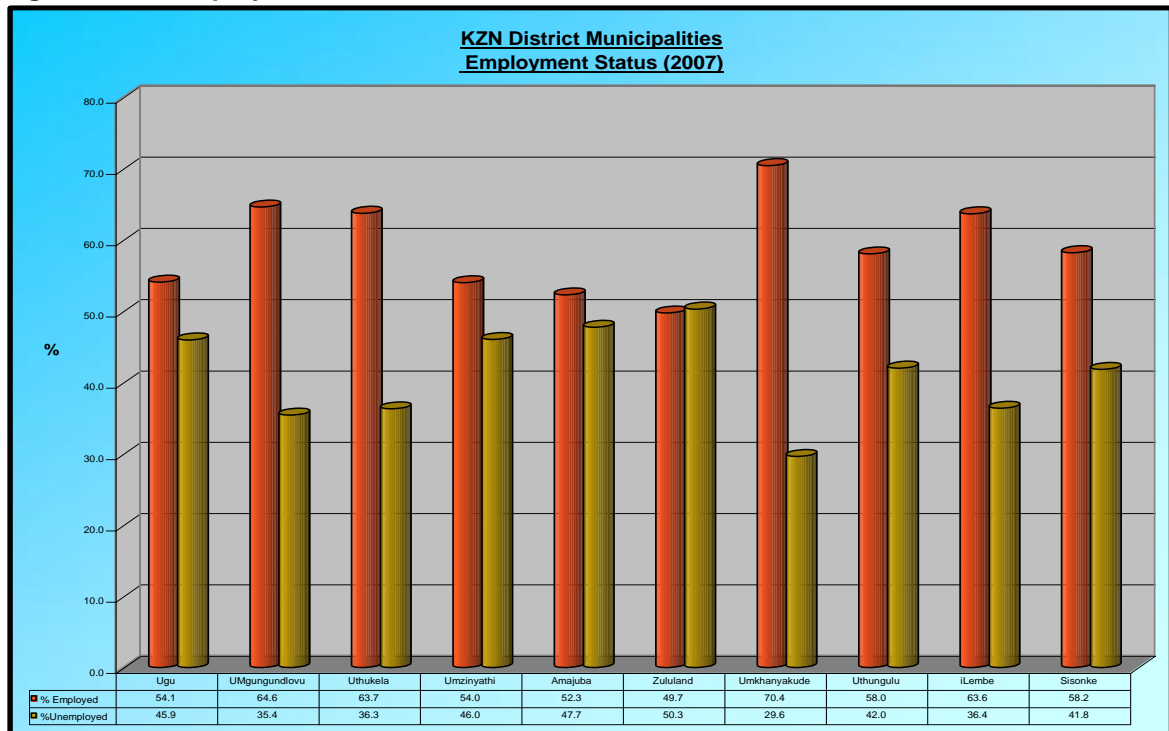
Figure No 53: Provincial Spatial Economic Development Strategy (2005)



4.1 Unemployment

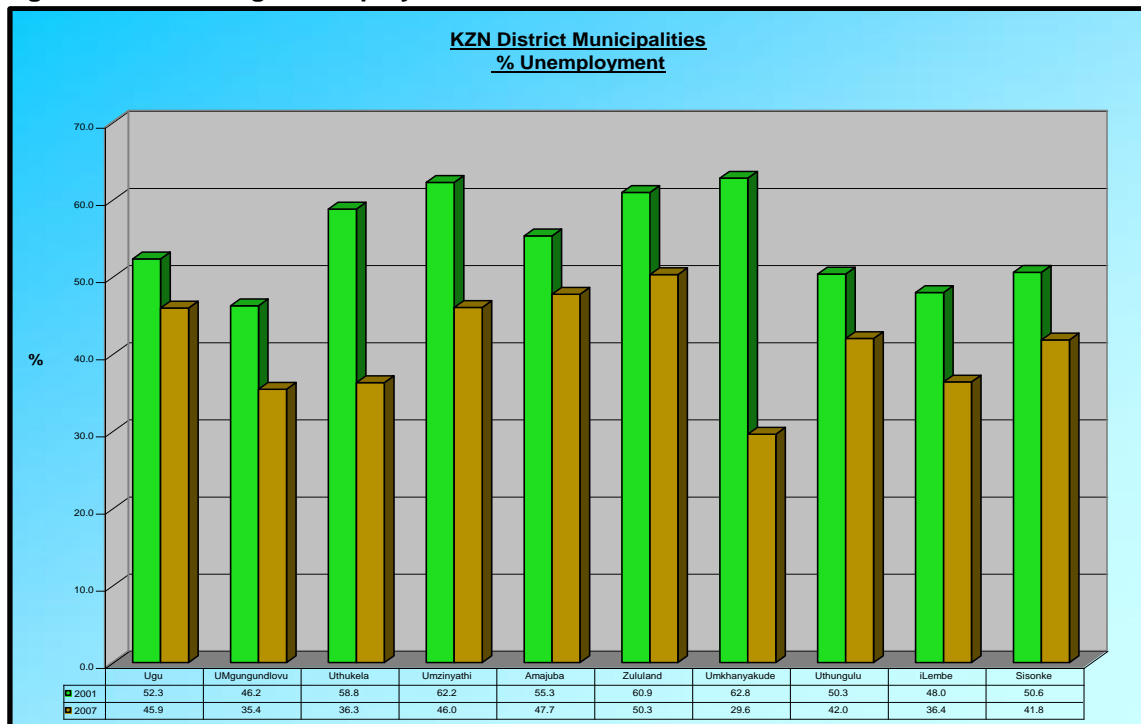
The unemployment challenge in the Umzinyathi DM is significant, with an estimated unemployment rate of around 46% in 2007. This figure rates amongst the highest unemployment rates of the district across KwaZulu-Natal. There are however also positive indications. As reflected on Figure 54, the unemployment rate in Umzinyathi has decreased from 62.2% in 2001 to the (still high) figure of 46% in 2007.

Figure 54: Unemployment rate in KwaZulu-Natal DM



Source: Stats SA, Community Survey 2007

Figure 55: Percentage unemployment in the KwaZulu-Natal DM's

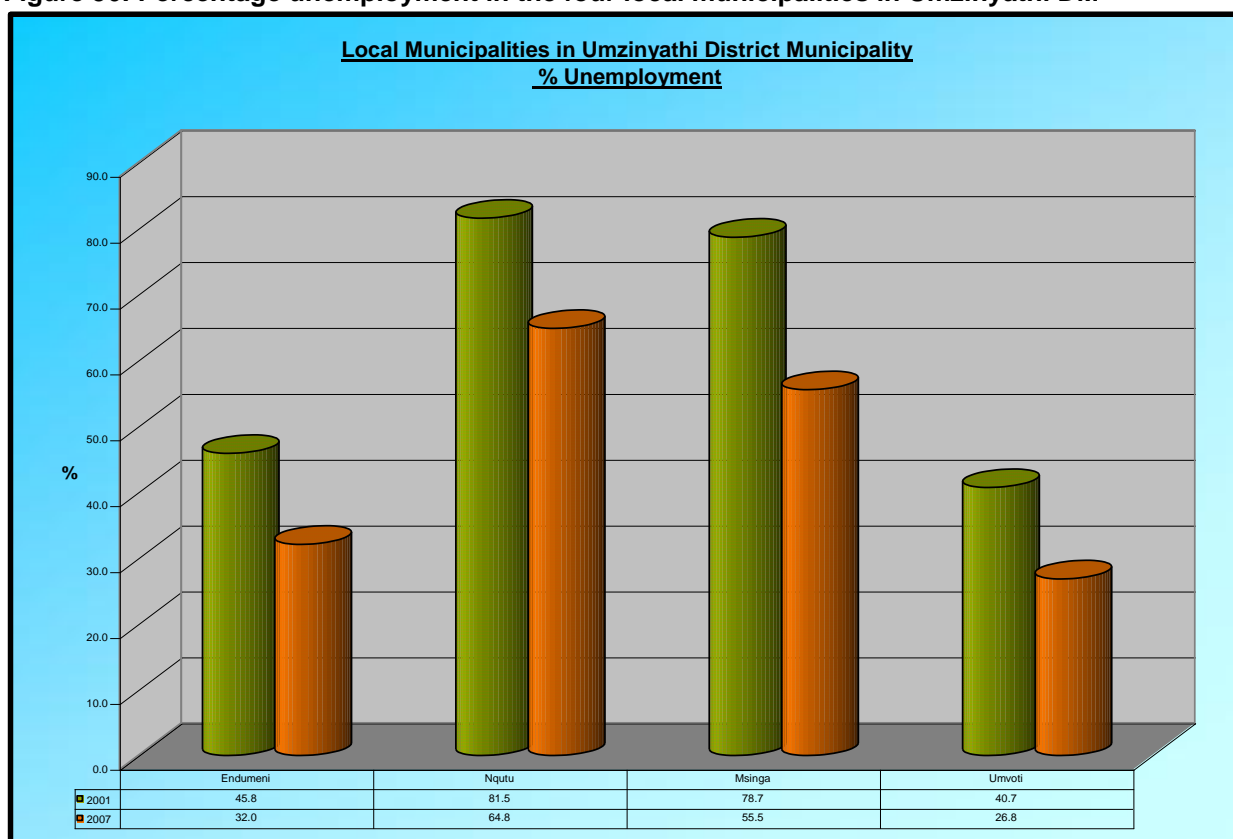


Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

The comparative figures for the various local municipalities are outlined in Figure 55. These statistics clearly indicate that the unemployment figures have improved notably between 2001 and 2007. There are however significant differences across the various local municipalities which can be summarized as follows:

- The unemployment rate in 2007 in the Umvoti and the eNdumeni LM's have been relatively low compared to the other local municipalities with rates of 26.8% and 32.2% respectively. In both these areas, the unemployment rate has decreased by approximately 14% between 2001 and 2007.
- The unemployment rate in the Msinga LM decreased substantially from a very high 78.7% in 2001 to 55% in 2007.
- The unemployment rate the Nquthu LM remains extraordinary high at 68.4% in 2007.

Figure 56: Percentage unemployment in the four local municipalities in Umzinyathi DM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

The dependency ratios (Number of dependents per employed person) for the district and its local municipalities 2001 and 2007 respectively are outlined in Table No 3. These figures indicate that the dependency ratios in the district have improved significantly between 2001 and 2007. The average dependency ratio for the district decreased from 13.4 to 7.5. The most notable improvements are apparent in the Nquthu DM where the dependency ratio decreased from an extraordinary 34.7 to 13.0, and in the Msinga LM where it decreased from 33.4 to 12.2 between 2001 and 2007. These decreases in dependency ratio can be contributed to two factors:

- An increase in the number of employed persons.
- A decrease in the number of dependants.

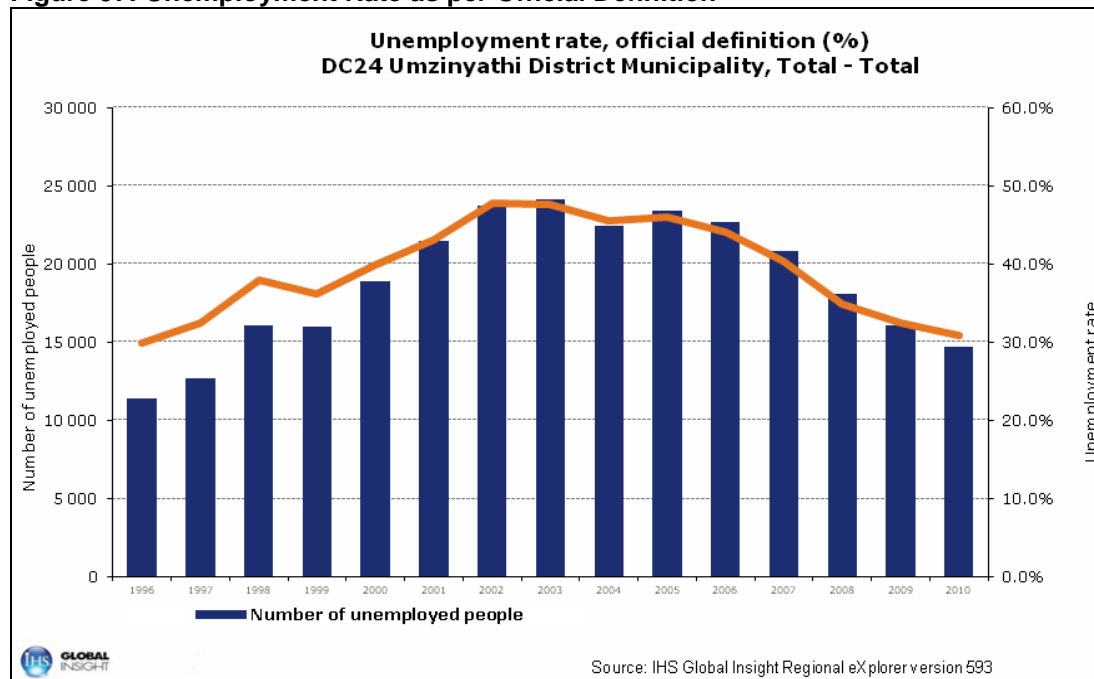
The information depicted in the figures outlined above clearly illustrated that the unemployment rates decreased significantly in all local municipalities between 2001 and 2007. The analysis of the age structure of the population also indicated that it is apparent that a substantial proportion of the younger economically active age category (between 25 and 35 years of age) may have left the district in search of better economic opportunities elsewhere.

Table No 3: Dependency Ratio

Municipality	Year	Dependents per Person Employed
eNdumeni	2001	4.5
	2007	3.7
Nquthu	2001	34.7
	2007	13.0
Msinga	2001	33.4
	2007	12.2
uMvoti	2001	6.3
	2007	4.6
Umzinyathi	2001	13.4
	2007	7.5

The Global Insight figures indicate that the Unemployment rate has increased from 29% in 1996 to 31% in 2010. Unemployment levels were the highest in 2003 when they hit 47%. Global Insight estimates that 14 697 people in 2010 were unemployed. The following graph summarises these figures.

Figure 57: Unemployment Rate as per Official Definition



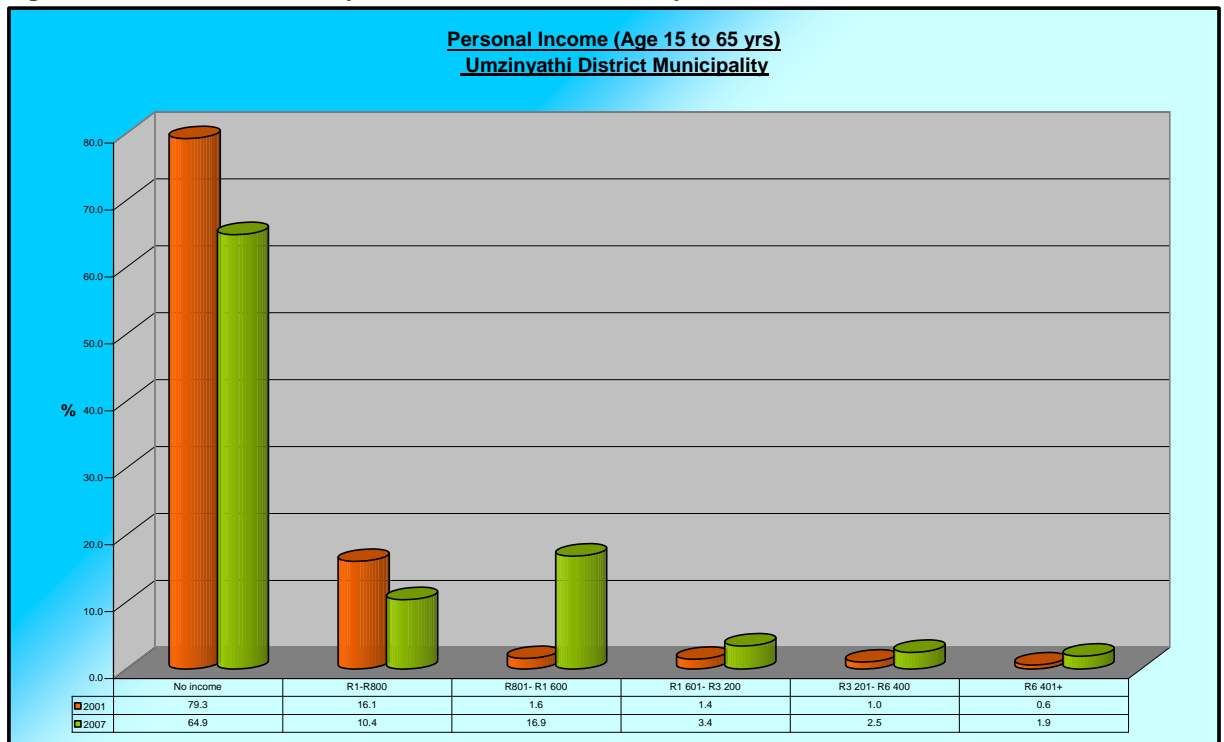
Source: Global Insight, (2010)

The Global Insight figures also indicate that in 2010 there were more unemployed men (approximately 48%) than women (approximately 38%).

4.2 Income and Affordability

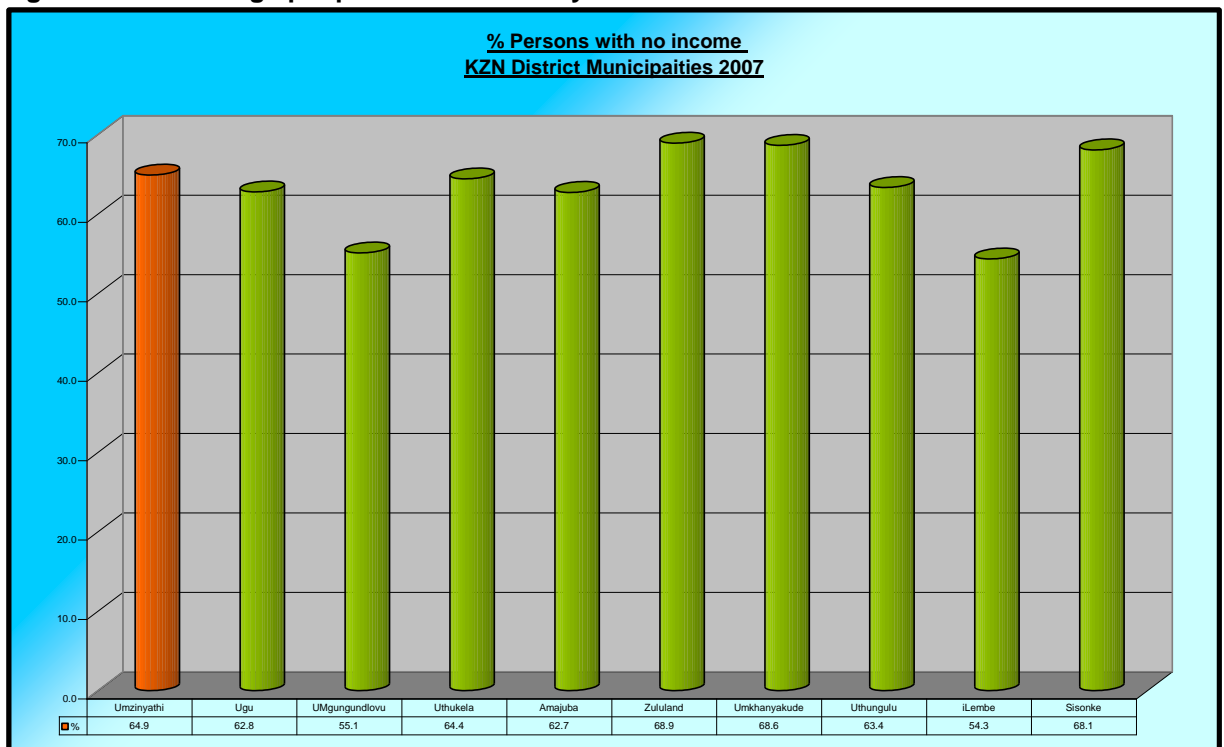
The low affordability levels in the Umzinyathi DM is clearly depicted on Figure 58 which indicates that nearly 65% of the population age between 15 - 65 years does not have any form of income. In addition, a further 10.4% earn less than R800.00 per month. Although these statistics reflect on a situation of extreme poverty, there have been signs of improvement, with the number of individuals without any income decreasing from 79.3% in 2001 to the 2007 figure of 64.9%. This high proportion of economically active individuals without any formal income is also not dissimilar to the pattern found across all districts within KwaZulu-Natal. .

Figure 58: Personal monthly income levels for Umzinyathi DM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 59: Percentage people with no monthly income



Source: Stats SA, Community Survey 2007

The individual income levels of the population between 15 and 65 years of age across the four Local Municipalities within the district are compared. The most prevalent characteristics include the following:

- The affordability levels in eNdumeni LM (although also characterized by high levels of poverty) are significantly higher compared to the other three local municipalities. The proportion of individuals earning no income is lower than the comparative figures in the other three municipalities, whereas the proportion earning in excess of R3200.00 per month is also comparatively much higher. In addition, the proportion of the population without any form of income decreased from 68.2% in 2001 to just over 50% by 2007. Conversely, the proportion of individuals earning more than R6400.00 per month increased from 1.9% to 3.9% over the same period.
- The extraordinary low affordability levels in the Nquthu LM is clearly depicted in Figure 5.14, which indicates that by 2007, nearly 73% of individuals still had no form of income (compared to as much as 87.4% in 2001). Moreover, less than 5% of the population in this municipality earned more than R1600.00 per month. The very low affordability levels of Nquthu LM are nearly mirrored in the Msinga LM with very similar figures across all income categories in this area.
- The Umvoti LM shows the large proportional improvement in affordability levels between 2001 and 2007. The proportion of the adult population without any form of income decreased from 73.7% in 2001 to 52.5% in 2007. Conversely, the proportion earning between R800.00 and R1600.00 per month increased from 2.8% to 23% and the percentage of individuals earning R1600.00 and the high income categories more than doubled in the same period.

4.3 HIV/AIDS, Poverty and Inequality

In Umzinyathi District Municipality, the HIV/AIDS infection rate for 2005 was 23% (Monitor Group, 2006) which is lower than the national average of 27.9% and significantly lower than the 37.5% average for the province of Kwazulu Natal. The province has the highest HIV prevalence rate in South Africa.

According to Global Insight, In terms of percentages, in 1996 71.2% of residents of the Umzinyathi DM lived in poverty, while in 2010 63.9% lived in poverty. This figure peaked at 79.9% in 2002. The UDM in 2010 remains above the national average in terms of the number of people living in poverty.

4.4 Education and Skills Levels

The challenge of low skills levels within the Umzinyathi DM is eminent. The 2007 STATS Community Survey indicates that the Umzinyathi DM has the highest level of illiteracy amongst these adult populations (29.6%) amongst all districts in KwaZulu-Natal. In addition, as much as 26.4% of the adult population has only completed primary school education. Moreover, the Umzinyathi DM is also the area in KwaZulu-Natal with the lowest proportion of its adult population who have completed some form of higher education (1.2%).

These trends are also prevalent at local municipality level as follows:

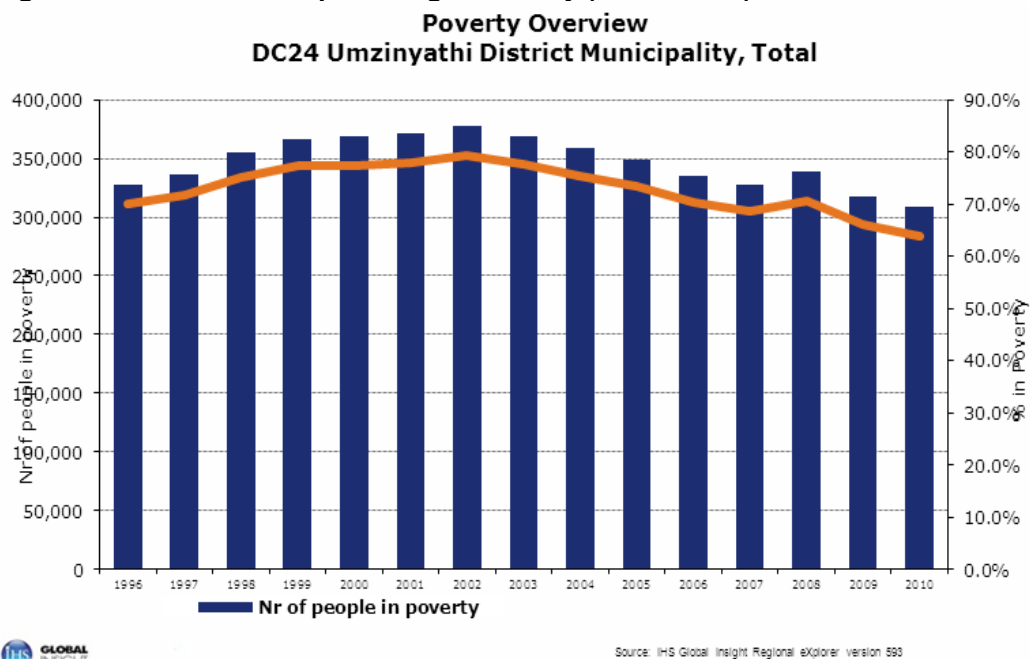
- The levels of adult illiteracy in the Msinga LM are extraordinary high at approximately 51.9%. The comparative figures in the Nquthu and Umvoti Local Municipalities are around 24%, and the figure for eNdumeni LM significantly lower at 11.1%.
- The proportion of adult population in the Nquthu and Msinga Local Municipalities who have completed Grade 12 and with some form of tertiary education is very low at less than 2%. The comparative figure in the Umvoti LM is somewhat higher at 4.5%, and 6.5% for the eNdumeni LM at 6.5%.
- The significant concentration of adult population without any form of education is in the central parts of the district (specifically around Keates Drift, Tugela Ferry and Pomeroy).

4.5 Number of People Living in Poverty

Poverty is defined as the state of one who lacks a usual or socially acceptable amount of money or material possessions. This variable indicates the number of people that lack the goods and services commonly taken for granted by members of mainstream society. In 1996 the figure for the UDM stood at 328,661 people, while in 2010 the figure was 316,228 people.

In terms of percentages, in 1996 71.2% of residents of the UDM lived in poverty, while in 2010 63.9% lived in poverty. This figure peaked at 79.9% in 2002. The UDM in 2010 remains above the national average in terms of the number of people living in poverty.

Figure 60: Number of People Living in Poverty (1996 – 2010)



Source: Global Insight (2010)

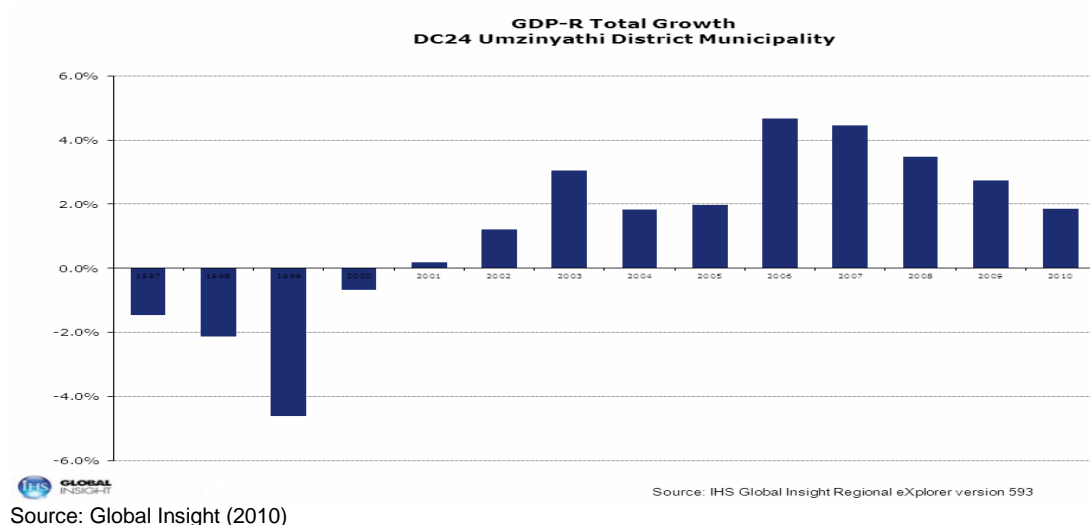
4.6 People living below \$1 and \$2 per day

In 1996 9% of the population lived below \$1 per day and 26.2% lived below \$2 per day. This figure improved to 0.4% living below \$1 per day and 10% below \$2 per day in 2010. The year 2002 saw the highest number of people living below \$1 per day (12%) and the highest number of people living below \$2 per day (33.8%).

4.7 Economic Status

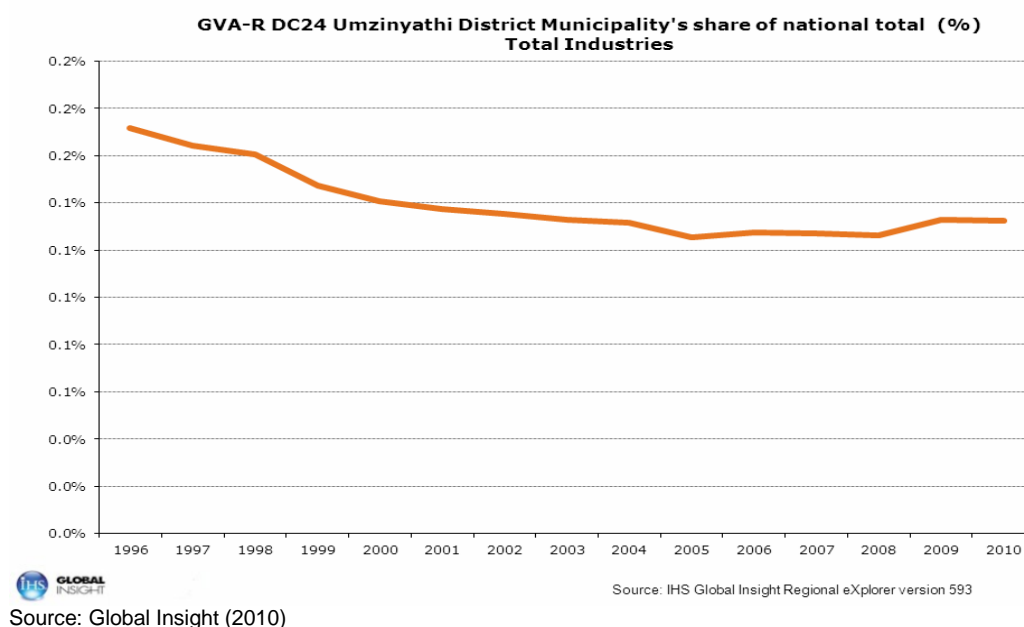
The following figure illustrates the GDP per region for DM's in KZN for 2004. As can be seen from this data, the UDM is well below the provincial average and the third lowest in the province ahead of the Zululand and uMkhanyakude DM's.

Figure: 61: GDP by Region at Current Prices (2005)



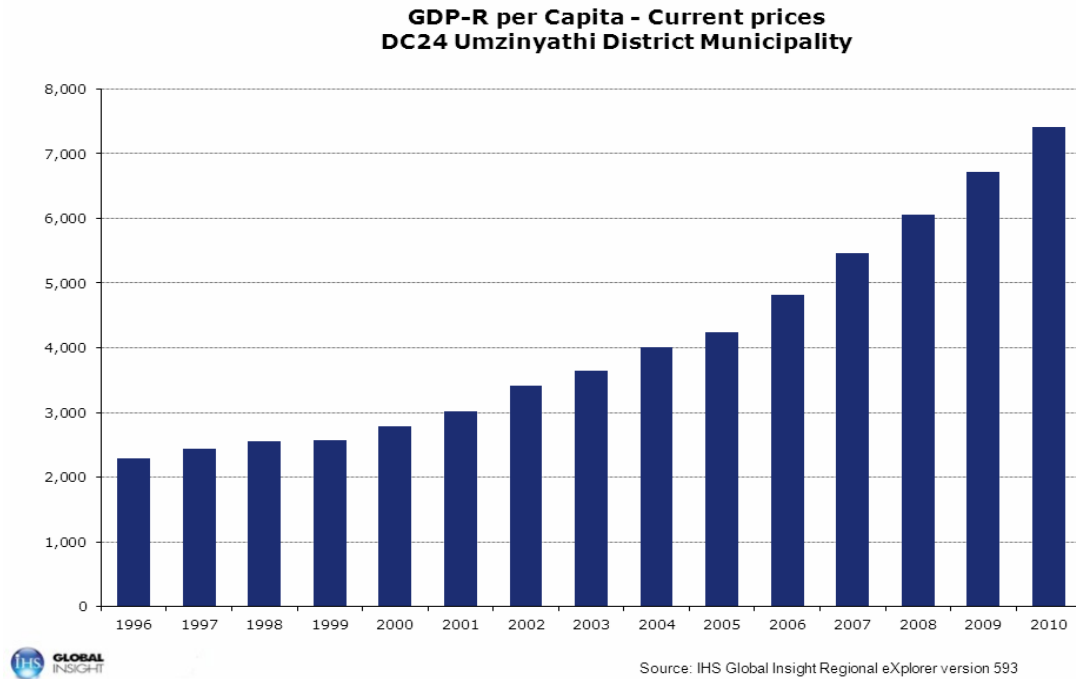
The Global Insight data indicates that the GDP- R for the UDM at current prices (R1000) rose from R1, 071,152 in 1996 to R3, 576,359 in 2010. The average annual growth rate for GDP- R for the UDM from 1996 to 2010 at constant prices for 2005 grew at 1.3%. The annual growth rate peaked at 4.5% in 2006 and had declined to 1.5% in 2009 and further to 1.3% in 2010.

Figure: 62: GDP- R Total Growth (1996 – 2010)



The GDP- R per capita at current prices was R2,320 in 1996 and had risen to R6,990 by 2009. This is summarised in the graph below.

Figure: 63: GVA- R per Capita at Current Prices (1996 – 2010)



Source: Global Insight (2010)

4.8 Service Backlogs

Umzinyathi DM is the Water Services Authority (WSA) for the entire district in terms of Section 1 of the Water Services Act, 1997. In order to efficiently plan the development of water services in the DM's jurisdictional area, the municipality developed a Water Services Development Plan which assists the municipality to align the projects set out by the Water Services Authority and that of the IDP in terms of providing water and sanitation services to the entire district community. It also helps with understanding the water services requirements and to effectively plan and manage the projects.

During the current financial year, the municipality developed a bulk water and sanitation strategy which has quantified the backlogs for each local municipality, funding required to eradicate backlogs and also funding sources. The Strategy for water is as follows:

- Too many small stand alone schemes are being planned;
- Planned schemes are very costly – above the Department of Water Affairs bench mark guidelines.
- Serious concerns relate to the availability of reliable and sustainable water sources in the district;
- Strategic issues to be addressed:
 - Bulk Schemes to be assessed to extend services to other areas;
 - Benefits – reduced capital costs;
 - Sustainable water sources as many bore holes are drying up;
 - O&M Costs Reduced;
 - Shorten construction time and increase speed of service delivery; and
 - Avoid duplication of bulk infrastructure costs.

The Strategy for sanitation is as follows:

- Sanitation Area Based Business Plans were prepared to address the Backlogs at:
 - Umvoti
 - Msinga
 - Nquthu
- Intensive reconciliation made against Stats 2007 Survey.
- Significant migration patterns across Wards and Increase in population has been observed;
- Actual households count from recently approved Sanitation Business Plans has supported significant population growth and household counts;
- Ward Councillors have to endorse business plans to eradicate sanitation backlogs; and
- Business Plans have been submitted to the Department of Water Affairs for Approval.

The water and sanitation funding requirements for the district and local municipalities as determined through the bulk strategy to eradicate backlogs thereby meeting the Millennium Development Targets are as follows:

4.8.1 Water Funding Requirements

- Umvoti LM - R308m
- Nquthu LM - R750m
- Msinga LM - R 1,121 m
- Endumeni LM - R800 m
- Total funding requirements for the entire district is estimated to be approximately R 2.979 Billion, totaling to R3 Billion

4.8.2 Sanitation Funding Requirements:

- Endumeni - R 40 million (water borne)
- Umvoti - R 60 million (basic)
- Msinga – R160 million (basic)
- Nquthu – R 134 million (basic)
- Total funding requirements for the entire district is estimated to be approximately R 394 million.

During the current financial year, the municipality aims to reduce the water backlog which is 33% (32917 households) by 8% (2618 households), and sanitation backlog which is 18% (17712 households) be reduced by 21% (3800 households) thereby improving access to communities within the RDP standards.

By the end of the 2011/12 financial year, the backlogs for infrastructural services will be as follows:

Table No 4: Water, Sanitation, Electricity and Refuse Removal – 2012/13 backlogs	
Backlogs	Percentage
Water	32%
Sanitation	15%
Electricity	64%
Refuse	80%

Source: Stats SA, Community Survey 2007

4.8.3 Sources of capital income: Electricity and Refuse Removal

In terms of addressing the electricity and refuse removal backlogs, the report compiled by Jeffares and Green (Pty Ltd in 2007, indicates that the municipality will need the budget indicated in Table No 5 below to deal with the concerned backlogs:

Table No 5: Costs of addressing Electricity and Refuse Removal	
Electricity	R 320,462,750.00
Refuse Removal	R 73,824,435.00

Source: Jeffares and Green, Backlog Study 2007

4.8.4 Operation and Maintenance

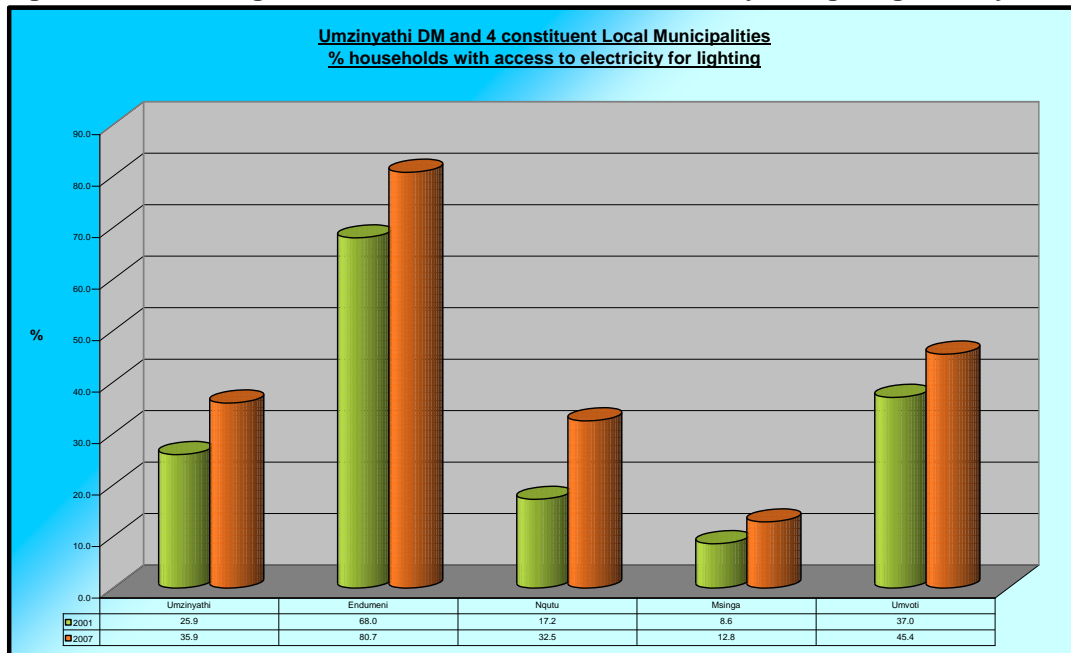
Of critical importance is the funding of Operation and Maintenance (O&M) of existing and future schemes as they are commissioned. Correct O&M of physical infrastructure is arguably more important than infrastructure construction because unless successful preventative maintenance procedures are instituted schemes will become inoperative. As a large proportion of expenditure relates to staff, competent personnel are required to ensure that the large investments in water services are not negated through dysfunction or dereliction. The municipality has allocated a reasonable budget for Operation and Maintenance for 2012/13 financial year.

4.8.5 Energy

The percentage of households with access to electricity for lighting purposes, have increased from 25.9% to 35.9%. Despite this significant improvement, it still implies that nearly two thirds of the total population of the district does not have access to electricity. Overall, the levels of electrification in Umzinyathi DM are very low compared to the other districts within KwaZulu-Natal (see Figure 64). This information indicates that the percentage of households electrified in Umzinyathi is the second lowest in the province after the 33.6% of Umkhanyakude DM. In most other districts, in excess of 60% of households do have access to electricity for lighting purposes. Significant differences are also prevalent amongst the four local municipalities within the district. The municipal level characteristics can be summarized as follows:

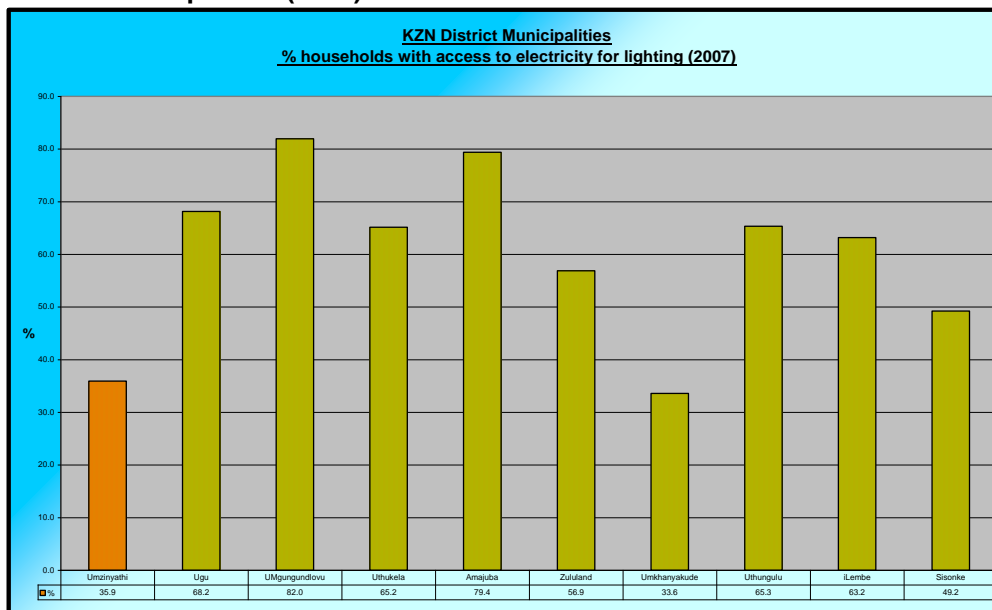
- As much as 80% of households in the eNdumeni LM have access to electricity;
- Although significant progress has been made in both the Nquthu and Msinga LM's, only 32.5% and 12.8% of households did have access to electricity in 2007; and
- Approximately 45% of households in the Umvoti LM had access to electricity for lighting purposes.

Figure 64: Percentage households with access to electricity for lighting Umzinyathi DM



Source: Stats SA: Census 2001
Stats SA: Community Survey 2007

Figure 65: Percentage households with access to electricity for lighting KZN District Municipalities (2007)



Source: Stats SA; Community Survey 2007
Stats SA; Community Survey 2007

SECTION C: STRATEGIC LOCAL GOVERNMENT AGENDA

CHAPTER 1: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

1.1 IDP DEVELOPMENT PROCESS, PHASES AND KEY TIME FRAMES

The following phases regarding the development of the 3rd generation of the IDP for 2012/17 were adhered to:

Phase 0: Preparation:

The purpose of this phase was to define the roles of various stakeholder and setting up an agreed process. The 2012/13 Process and Framework Plan were prepared during July 2012 and approved by the Executive Committee on the 21 July 2011, and subsequently submitted to the Department of Co-operative Governance and Traditional Affairs.

Phase 1: Analysis

A district-wide analysis was undertaken, the analysis was based on the strategic and in-depth statistical analysis from the 2007 STATS SA Community Survey covering the economic, development, social and labour statistics required for a “credible IDP”. Updated economic and social data was also purchased from Global Insight of Southern Africa to form part of a detail analysis for the 2012/17 IDP. On the 27 – 28 November 2011, management and Council had a strategic planning workshop to develop a new vision, mission, core values, motto, developmental priorities and SWOT analysis to serve as critical base for the development of the 2012/17 IDP.

Phase 2: Strategies

This phase was undertaken after the outcome of the Strategic Planning Session which culminated to a new vision, mission, core values, motto, developmental priorities and SWOT analysis. Second session for Management and Council was held on the 28 February 2012 to develop the objectives and strategies in line with the new vision and developmental priorities which have been set by Council.

Phase 3: Projects

Objectives and strategies were developed during phase two, and specific projects were the aligned in order to realise the developmental mandate of Council. The municipal budget was also strictly aligned to the developmental priorities and

subsequent to the specific projects. A consolidated Implementation plan linked to the budget has been developed and integrated as part of the 2012/17 IDP.

Phase 4: Integration

The IDP Technical Committee which included district family of municipalities, public and private sector was also held on the 01 – 02 November 2011 which was a huge success, and its aim was to:

- Streamlining planning process;
- Finding a common district wide development vision;
- Consolidation and alignment of programmes and budgets;
- Unifying the channelling of both private and public sector investments;
- Combating socio-economic ills in a strategic and coordinated manner; and
- Put forward a plan of action that will enjoy political buy-in at levels

A second session was also held on the 27 February 2012, to address the inter-sphere alignment for integration of issues and also key municipal developmental issues which requires funding for 2012/13 financial year

Three Steering Committee meetings were also held towards the finalisation of the 2012/17 IDP and also the Budget, the committee served to ensure that proper and realistic objectives and strategies are developed in line with the new developmental priorities, and the budget is strictly aligned to the priorities, and subsequent to the budget.

Phase 5: Approval

The draft 2012/17 IDP was approved by Council on the 22 March 2012 and submitted to the Department of Co-operative Governance and Traditional Affairs on the 23 March 2012 for assessment purposes. The final 2012/17 IDP was adopted by Council on the 23 May 2012, and subsequently submitted to the Department of Co-operative Governance and Traditional Affairs within a period of ten (10) working days.

The 2012/17 IDP / Budget public engagements were undertaken during April 2012 including consulting the House of Traditional Authorities. The purpose of the IDP / Budget public engagements was to obtain inputs from the community on developmental issues that need to be addressed in the 2012/17 IDP as required by Chapter 4, Section 16 of the Municipal Systems Act (No 32 of 2000). The 21 days

notice was also placed in the newspapers for comments and inputs from the community during April 2012, after the approval of the draft IDP.

1.2 2012/13 IDP, Budget and PMS Process Plan Programme

The 2012/13 IDP Process and Framework Plan was presented and approved by ExCo on the 21 July 2011, and subsequently submitted to the Department of Co-operative Governance and Traditional Affairs. The details of the activities for the process plan are as follows:

ACTIONS	RESPONSIBLE PERSON / STRUCTURE	TARGET DATE
Meeting with the IDP Managers of the local municipalities for the alignment of the 2012/13 Process Plans, and development of a Framework Plan	Manager: IDP/PMS	05 July 2011
ExCo approves the 2012/13 IDP, Budget and PMS Process and Framework Plan	CFO / Manager: IDP/PMS	21 July 2011
Finalize Performance agreements and plans for Section 57 Managers for 2011/12	Manager: IDP/PMS	30 July 2011
Assist the Mayor in the preparation of time schedule for the Budget and related policies	CFO	01 August 2011
UDM to place a notice in the public newspapers informing the public that the Process Plan which outlines the process to be followed for the preparation of the 2012/13 IDP, Budget and PMS is available for comments.	IDP Manager	11 August 2011
UDM Planning and Development Forum - district family alignment and integration session	Chief Planner Manager: IDP/PMS	14 August 2011
1 st IDP Steering Committee Meeting - Review and Update of the IDP Status Quo and situational analysis	MANCO	19 September 2011
Planning Indaba / MEC Panel Feedback	Manager: IDP/PMS	22 September 2011
Provincial Planners Forum	Manager: IDP/PMS	30 September 2011
1 st Quarterly performance assessment of Section 57 Managers as required by Section 28(1) of the Performance Regulations	Manager: IDP/PMS	October 2011
1 st IDP Technical Committee Meeting – inter-sphere alignment session	Manager: IDP/PMS	01 – 02 November 2011
Review budget related policies	CFO / Council	November 2011
Determine guidelines for 2012/13 Budget	CFO	November 2011
UDM Planning and Development Forum - district family alignment and integration session	Chief Planner Manager: IDP/PMS	16 November 2011
Strategic Planning Worskhop for Council and Management	Manager: IDP/PMS	27 – 28 November 2011
IDP Best Practise	Manager: IDP/PMS	01 December 2011

ACTIONS	RESPONSIBLE PERSON / STRUCTURE	TARGET DATE
Submission of the 2011/12 mid-year performance report to the Audit Committee, and subsequently to Council	Manager IDP/PMS	20 January 2012
2 nd Steering Committee Meeting - Presentation on the progress of the development of the 2012/13 IDP, SDF and Budget	MANCO	19 January 2012
Receive Budget from Uthukela water	Municipal Manager	January 2012
2 nd Quarterly performance assessment of Section 57 as required by Section 28(1) of the Performance Regulations,	Manager IDP/PMS	January 2012
2011/12 Mid – year Budget review and its approval by Council	CFO	25 January 2012
Provincial IDP Stakeholders meeting	Manager IDP/PMS	09 February 2012
2 nd IDP Technical Committee Meeting - inter sphere alignment and integration meeting	Manager IDP/PMS	27 February 2012
Council and Management workshop – development of objectives and strategies	Manager IDP/PMS	28 February 2012
UDM Planning and Development Forum – alignment and integration, and to determine rediness of municipalities to submit the IDP's and SDF's to COGTA	Manager IDP/PMS	06 March 2012
Council to approve the draft 2012/17 IDP, SDF and Budget	Council	22 March 2012
Submission of the draft 2012/17 IDP, SDF and Budget to the Department of Co-operative Governance and Traditional Affairs, and Treasury for assessment	Manager IDP/PMS and CFO	23 March 2012
Provincial 2012/13 draft IDP Assessments, and feedback	Manager IDP/PMS	26 – 30 March 2012
Advertisement of the IDP and Budget for a period of 21 days as required by the Municipal Systems Act	Manager IDP/PMS / CFO	12 April 2012
Public Consultation of the draft 2012/17 IDP, SDF and Budget in terms of Section 17 and 18 of Chapter 4 of the Municipal Systems Act, 2000 and Section 22 (a) (i) of the Municipal Finance Management Act, 2003 in all four Local Municipalities	CFO / Manager IDP/PMS	23 April 2012 – Nquthu Municipality 24 April 2012 – Msinga Municipality 25 April 2012 – Umvoti Municipality 26 April 2012 – Endumeni Municipality

ACTIONS	RESPONSIBLE PERSON / STRUCTURE	TARGET DATE
Third Quarterly performance assessment of Section 57 as required by Section 28(1) of the Performance Regulations	Manager IDP/PMS	07 May 2012
UDM Planning and Development Forum - to finalize and align the programmes and projects, and key strategic issues	Manager IDP/PMS	17 May 2012
3 th IDP Steering Committee Meeting – Finalisation of the 2012/17 IDP and Budget	MANCO	21 May 2012
Adoption of the final 2012/17 IDP, draft SDF and Budget by Council	Council	23 May 2012
Submission of the 2012/17 IDP, SDF and Budget to Provincial and National Treasury, and to the Department of Co-operative Governance and Traditional Affairs within 10 days after adoption.	CFO / Manager IDP/PMS	01 June 2012
Fourth performance assessment of Section 57 as required by Section 28(1) of the Performance Regulations,	Manager IDP/PMS	05 July 2012
Audit committee submits the annual performance assessment report to Council	Manager IDP/PMS	July 2012
Commence with the implementation of the 2012/17 IDP and Budget, and monitor performance through PMS	CFO / Manager IDP/PMS	01 July 2012

1.3 2011/12 IDP REVIEW COMMENTS

The 2011/12 IDP Review was submitted to the Department of Co-operative Governance and Traditional Affairs for commenting purposes as required by Chapter 5, Section 25 of the Municipal Systems Act. The Department of Co-operative Governance and Traditional Affairs has submitted comments on the 2011/12 IDP Review to the municipality to serve as a base for the development of the 2012/17 IDP, the following comments pertaining to the municipal IDP were received, and the municipality has provided improvement responses:

NO	KEY PERFORMANCE AREA	MEC COMMENTS ON IDP MATTERS AND OBSERVATIONS	MUNICIPAL RESPONSE
1.	MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	From the information presented it is clear that your municipality has aligned its structure to the roles and responsibilities afforded and that the legal policies and procedures, i.e. Retention Strategy, Employment Equity	In August 2011, the municipality reviewed the organisational structure to ensure that its fully aligned to the powers and functions to enhance service delivery.

		<p>Plan etc. are in place. The existence of a number of IGR structures that are functional is noted and continual efforts are needed to maintain and increase the functionality of these.</p> <p>The Municipality is urged to continue making use of the Shared Services concept to augment capacity where it is limited at present, i.e. audit and planning. Ongoing commitment is urged to ensure that the Municipal Turnaround Strategy (MTAS) is implemented and progress reported and progress with regard to the Organisational Performance Management System (OPMS) is noted.</p>	<p>The municipality is also in a process of reviewing its policies to ensure that they are relevant in order to achieve desired results.</p> <p>A new protocol agreement for the IGR structures was signed in November 2011, to ensure their continuous functionality.</p> <p>The shared services concept is fully functional and the municipality will maintain its continuous functionality</p> <p>The Municipal Turnaround Strategy was reviewed by Council in August 2011, and its implementation in terms of progress is continuously being reported.</p> <p>The municipality is continuously ensuring that systems are in place through the Organisational Performance Management System to monitor the IDP implementation</p>
2.	LOCAL ECONOMIC DEVELOPMENT	<p>It is apparent that your municipality is giving due attention to Local Economic Development (LED) in the district given the challenges that exist in the area, i.e. unemployment as well as low income and affordability levels.</p> <p>Efforts to establish an LED Agency and the identification of bankable LED projects are also noted. It is imperative that the comparative and competitive economic advantages of the district, and its Local Municipalities, are known and harnessed to ensure that</p>	<p>The municipality has developed Economic Vision 2014, which highlights key strategic programmes to be implemented by the municipality with the intention of addressing the prevailing challenges, and also to promote economic development. A three year MTEF for LED programmes and projects has also been developed</p> <p>Various studies and business plans are currently under development, which would culminate to bankable LED projects, which will then be utilised as a base for the establishment of the LED</p>

		weaknesses/threats to the economy, such as distance from major markets, can be overcome.	agency.
3.	BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT	<p>It is noted that that your district has undertaken a number of studies and assessments to inform the planning for backlog eradication and details of these plans are outlined. Funding is clearly the main limiting factor in the process.</p> <p>The efforts made to ensure that adequate operation and maintenance is provided, are commended. It is critical that existing services maintain their functionality thereby ensuring the viability of the centres being provided.</p>	<p>The municipality has recently developed the bulk strategy for water and sanitation which highlights backlogs and funding requirements for each local municipality to eradicate backlogs, efforts to source funding from other avenues if ongoing.</p> <p>The municipality will continuously provide efforts for the operation and maintenance to ensure the existing schemes function accordingly. The municipality has also taken back the function of being a water services provider through the outcome of Section 78 commissioned by COGTA, and will be performed as from the 01 July 2012</p>
4.	FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	<p>The content of the municipal financial plan is noted, as well as the compilation of the Service Delivery Budget Improvement Plan (SDBIP) thereby ensuring that the municipal efforts are aligned to its targets and objectives irrespective of the challenges prevalent, i.e. low levels of local demand, low HDI (Human Development Index), declining sectors and low per capita GDP.</p> <p>It would be useful for the municipality to report on its success with regard to debt recovery and revenue enhancement in future IDPs. Your municipality is also urged to implement the action plan compiled in response to the report from the Auditor General (AG).</p>	<p>The municipality will continuously prepare the Service Delivery and Budget Implementation Plan on annual basis as it serves to monitor the implementation of the IDP in terms of objectives set and targets achieved.</p> <p>The function of ensuring debt recovery and revenue enhancement had been performed by the municipal entity, but the function has been retained to the municipality and will be performed as from 01 July 2012, and the successes will then be reported in the next IDP Review. The Auditor General action plan was implemented effectively, hence the municipality obtained a clean audit report for 2010/11 financial year.</p>

5.	GOOD GOVERNANCE AND COMMUNITY PARTICIPATION	<p>Your municipality is commended for its proposed response to matters of emphasis and observations from previous correspondence. Details of the Process Plan are provided that guided the preparation of your IDP and due consideration is noted to have been given to government's priorities in terms of the 2009 – 2014 MTSF (Medium Term Strategic Framework).</p> <p>It is clear that a sound communication policy in place and your municipality is urged to report the results of future Customer Satisfaction Surveys.</p>	<p>Details of the process plan that guide the development of the 3rd generation 2012/17 IDP have been provided, and extensive consideration has also been given in terms of alignment and integration with the provincial priorities, PGDS, outcome 9, operation sukuma sakhe.</p> <p>Communication policy is in the process of being reviewed to ensure its relevance in order to achieve desired results. The undertaking of the Customer Satisfaction survey has been completed, and report being finalised. The results will be integrated into the next IDP Review.</p>
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6.	SPATIAL DEVELOPMENT FRAMEWORK	<p>You are reminded that in terms of Section 26(e) of the MSA your municipality is required to submit a hardcopy SDF with each IDP and IDP Review which further complies to the requirements stipulated in Section 2(4) of the Local Government Planning and Performance Management Regulations, 2001 (Reg. 796 of 2001).</p> <p>I note that a detailed hardcopy of your Spatial Development Framework has been submitted with the IDP and is further summarised and integrated into the IDP.</p> <p>I note that your SDF follows a logical structure with sufficient guidance towards the spatial restructuring and economic development of the district. It is further evident that the SDF is based on a comprehensive overview of the environmental and physical structuring elements of the municipality.</p> <p>I commend the spatial assessment of various sector plans within the municipality, as well as the mapping of key disaster risk areas as part of your SDF. It is evident that your SDF is sufficiently aligned with the provisions of the Provincial Spatial Economic Development Strategy (PSEDS). The SDF further appears to provide good integration with and guidance to the SDFs of the local municipality within the district.</p>	<p>The municipality has developed a new Spatial Development Framework for the 3rd generation of IDP's in line with the legislative requirements, and the final report has been integrated into the final IDP in June 2012</p>
		<p>I further commend the SDF for sufficiently considering and aligning with the spatial intentions of the PSEDS as well as the Provincial Growth Development Strategy (PGDS).</p>	<p>The new Spatial Development Framework which has been developed is fully aligned to the Provincial Growth Development Strategy and Provincial Development Plan.</p>
		<p>The SDF does not sufficiently illustrate a linkage with the municipality's Capital Investment Framework, nor does it include a dedicated implementation strategy. Furthermore, there is little evidence of planning integration with surrounding municipalities, and I recommend that this be more directly addressed in the review of your SDF.</p>	<p>The new Spatial Development Framework which has been developed clearly indicates the linkage with the Capital Investment Framework of the municipality and integration with surrounding municipalities are ongoing.</p>

		A comprehensive assessment of your SDF, with specific recommendations is obtainable from my department and it is recommended that future reviews of your SDF take cognisance thereof.	A comprehensive assessment of our municipal SDF provided by COGTA, was incorporated into the new SDF which has been developed
7.	GENERAL COMMENTS	<p>Your municipality is further reminded about the upcoming Census in October 2011 and you are encouraged to take advantage of this initiative. You are requested to mobilise the communities within the municipal area to participate in the Census to ensure that the results are a true reflection of the areas demographic profile.</p> <p>In addition your municipality should contact the Department of Social Development's Population Unit to assist you with analysing current statistical data.</p> <p>You are reminded to communicate with the Department of Community Safety and Liaison regarding the incorporation of a Community Safety Plan into your IDP.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p>
OTHER KEY OBSERVATIONS TO TAKE INTO CONSIDERATION			
8.	PROMOTION OF ACCESS TO INFORMATION ACT (PAIA)	In line with the Promotion of Access to Information Act, you are advised to ensure that the work of the municipality is PAIA compliant, which will be in line with promoting good governance by your municipality.	Noted
9.	IMPLEMENTATION OF THE PROVINCIAL FLAGSHIP PROGRAM	Please ensure that your municipality embraces the structures that are already in existence in your district such as Operation Sukuma Sakhe and District AIDS Council, which is co-ordinated by the District Municipality. Moving forward, please ensure that your IDP features these provincial programs in the War Against Poverty.	The municipality is participating fully in Operation Sukuma Sakhe and has integrated the programmes in the IDP. The municipality also has in place the District Aids Council which is functional.
10.	MUNICIPAL TURNAROUND STRATEGY (MTAS)	COGTA has noted that your MTAS has not been incorporated into your IDP; therefore you are advised again to incorporate it.	The Municipal Turnaround has been incorporated into the IDP.
11.	IMPLICATIONS OF KZN PLANNING AND DEVELOPMENT ACT 6 OF 2008	The KwaZulu-Natal Planning and Development Act, 2008 (Act No.6 of 2008) (KZN PDA) came into effect on 1 May 2010 and the first Amendment to the Act has been developed and will	The municipality has a fully functional development planning shared services to deal with the KwaZulu-Natal Planning and Development

		<p>shortly be released for public comment. Currently, a draft KZN PDA Manual is available on the Department Website and has been prepared and distributed to guide municipalities in their successful implementation of the Act.</p>	Act, 2008 (Act No.6 of 2008)
		<p>Invitations calling for nominations to serve on the PDA Norms and Standards Steering Committees have been published and the appointment process is on-going. Once appointed, these Steering Committees will develop Norms and Standards for the following topics: Urban densification; Spatial imperatives for public capital investment; Provincial norms and standards on rural land use; Protection and enhancement of the character of KwaZulu-Natal's landscapes and sustainable energy usage.</p> <p>You are encouraged to participate in this process as it unfolds. You are furthermore requested to incorporate the Norms and Standards into your IDP and scheme, as they become available.</p>	Noted

12.	PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY AND PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK	<p>A key consideration that must be factored in the drafting of the next five year IDP is the fact that the Provincial Executive Council has now adopted the 2011 Provincial Growth and Development Strategy (PGDS) and Provincial Spatial Development Framework (PSDF). This reviewed PGDS, which was developed with due cognisance of the Five National Priorities, the Twelve National Outcomes, the findings of the National Diagnostic Overview, as well as a strategic analysis of the current situation in KwaZulu-Natal, outlines the 2030 Vision for the Province, the seven strategic goals and thirty strategic objectives that will set the growth and development agenda for the next twenty years.</p> <p>The PSDF identifies priority areas for interventions based on a series of variables related to accessibility, social needs, economic growth potential and environmental sensitivity. The PGDS and PSDF therefore provide a sound platform for vertical, horizontal and spatial alignment.</p> <p>It is therefore imperative for all municipal IDPs and municipal Spatial Development Frameworks (SDFs) to be aligned with this overall provincial strategic framework in order to optimise synergies between national, provincial and municipal growth and development programs.</p> <p>The extent to which municipal IDPs are aligned to the PGDS and PSDF will be a specific consideration in the credibility assessment of the next round of IDPs. COGTA and the Department of Economic Development and Tourism, with support from the Provincial Planning Commission, will engage District families of municipalities and local development partners in District Growth and Development Summits to facilitate better understanding of these provincial strategies, as well as improved alignment with municipal</p>	The municipal IDP and SDF is fully aligned to the PGDS and PSDF
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		<p>IDPs.</p> <p>Municipalities who may require specific support in their engagement with the PGDS and PSDF should direct such requests to the COGTA Municipal Strategic Planning Business Unit who in turn will facilitate such support via the District Wide Development Planning Shared Services.</p>	
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1.4 COMMUNICATION POLICY

Umzinyathi District Municipality has a communication policy in place which has been adopted by Council, the purpose of the policy is to promote the objectives of Section 32 of the Constitution. The promotion of access to information Act (No 2 of 2000) provides that the public has the right to information held by the organs of state or a private body. It is therefore upon the premise that this Communication Policy is developed. It also serves to safeguard the processes of communication, proper systems need to be in place hence ensuring that procedures as per the Municipal System Act (32 of 2000) are adhered to.

For Umzinyathi District Municipality to be accountable in terms of communication, it needs to have an understanding of its mandate. The policy is also crucial in communicating municipal plans like the IDP, Budget, PMS etc. The target groups for the policy are as follows:

- Internal Audience
 - Mayor, Speaker, ExCo, Council, Top management, Management, Staff
- External audience
 - Political parties, business people, NGO's, Media, Faith based organisations, general public, the local municipalities, government departments etc.

Some of the tools which are being utilised by the municipality in communicating the IDP / Budget are as follows:

- Public engagements – one in each of the four local municipalities;
- Quarterly external newsletter;
- Monthly radio talk show by the Mayor on Ukhozi FM;
- Umzinyathi Website;
- Annual Report – planned for March of each year
- IDP Rep Forum meetings;
- Planning Forum;
- Municipal Managers Forum;
- District Mayors Forum; and
- Audit Committee.

The communication policy will be reviewed during 2012/13 financial year.

1.5 PUBLIC PARTICIPATION

During 2010/11 financial year, Umzinyathi District Municipality in partnership with the Independent Development Trust undertook the preparation of Local Area Plans in the local municipalities to serve as a good base for the IDP's at a local and district level. The Local Area Planning serves to enhance the public participation in the IDP process, hence the plans get to be articulated in the IDPs of the municipalities and the preparation of Local Area Plans in Nquthu and Endumeni local municipalities were completed.

Umzinyathi District Municipality will engage all the local municipalities to request them that the same exercise the undertaken during 2012/13 financial year thereby enhancing public participation, utilising the development planning shared services capacity.

1.6 CUCTOMER SATISFACTION SURVEY

Effective and efficient service delivery to communities features high on the agenda of the South African government. Local government (municipalities) is one of the major delivery channels in the South African three-tiered governmental system that can impact positively on the daily lives of South Africans. Basic services and facilities such as water, electricity, a clean environment and secure living conditions are some of the basic needs provided by municipalities to their communities.

During 2011/12 financial year, the district is undertook the preparation of the second customer satisfaction survey. To date, fieldwork has been completed in all the local municipalities, and data from the questionnaire is currently being captured. The aim of the study is to determine the perceptions of the community on the services the municipality is providing. The Customer Satisfaction Survey will also contribute to improving communication between the municipality and the community in determining the social and economic needs that require urgent attention and deemed necessary to improve the quality of lives. The results or outcome of the 2011/12 Customer Satisfaction Survey emanating from the data currently being captured will be integrated into the next review of the IDP as the report is currently being finalised.

CHAPTER 2: MUNICIPAL TRANSFORMARTION AND INSTITUTIONAL DEVELOPMENT

2.1 POWERS AND FUNCTIONS

In order to develop a functional capacity of the municipality, it is necessary to be aware of the powers and functions as they were Gazetted. The functional responsibilities applicable to uMzinyathi District Municipality in relation to the shared functions, which have a bearing on district responsibilities, are shown in the table 6 below.

Table 6: Powers and Functions

District Functions	Shared Functions
Water	Integrated Development Planning
Sanitation	Tourism
Integrated Development Planning	Municipal roads
Solid waste disposal sites	Fire fighting services
Tourism	Fresh produce markets and (abattoirs)
Municipal Roads	
Municipal airports serving the area of the District Municipality as a whole	
Municipal environmental health serving the area of the District Municipality as a whole	
Fire fighting services for district municipality including planning and co-ordination.	
Fresh produce markets and (abattoirs) serving the area of the District Municipality as a whole	
Municipal public works relating to any of the above functions and/ or other functions assigned to the District Municipality	
The receipt, allocation and, if applicable ,distribution of grants made to the District Municipality	

Air Pollution	
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2.2 MUNICIPAL INSTITUTIONAL ANALYSIS

The organisational structure of the municipality which was approved as part of the final 2012/17 IDP has 166 posts of which 56 of them are vacant. The increase of municipal staff from 112 during 2011/12 was necessitated by the integration of staff from Uthukela Water as the municipality will be performing the water service provision function as from the 01 July 2012 and also to creation of other essential posts to enable the municipality to function effectively.

An analysis of organisational structure approved as part of the final 2012/17 IDP in terms of the staff by gender, race and occupation has been undertaken. The analysis applies to the staff distribution excluding the new posts to be filled since gender and employment equity would need to be considered in relation to the potential candidates for the new positions. The distribution of staff by occupation, group and gender is shown below:

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management	03				01				05
Middle Management	13				03			01	17
Supervisor and Skilled Technical	16	01			16		01		34
Semi skilled	03			01	23		01	01	29
Elementary Occupation	16				09				25
Grand Total	51	01		01	52		02	02	110

Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Umzinyathi District Municipality will also ensure that critical vacant posts are filled in line with the employment equity plan. As part of ongoing training for the employees, the municipality will be undertaking the process of reviewing the workplace skills development plan which will assist the employees with capacity development. The municipality is confident that with the current capacity, it will be able to fulfil its developmental mandate in terms of performing the powers and functions, and the process of filling the vacant posts are underway.

2.2.1 Administrative Structure

For the municipality to be able to perform its powers and functions effectively, it needs an effective and efficient administrative structure, and the administrative structure of the municipality has the following:

- Office of the Mayor;
- Office of the Municipal Manager;
- Department: Technical Services;
- Department: Financial Services; and
- Department: Corporate Services.

The breakdown of the Departments in terms of the functions which are being performed is as follows:

2.2.1 Office of the Mayor

The Office of the Mayor consists of the following sections:

- Communications;
- Social Development;
- Youth Development; and
- Local Economic Development.

2.2.2 Office of the Municipal Manager

It is the responsibility of the Municipal Manager as “Accounting Officer” to:

- Promote sound financial management throughout the municipality;
- Be responsible for all income and expenditure, all assets and the

discharge of all liabilities;

- Ensure compliance with the Municipal Finance Management Act (MFMA) No. 56 of 2003;
- Prevent fruitless and wasteful expenditure; and
- Disclose all information on debts.
- It has the following sections:
 - Integrated Development Plan and Performance Management System
 - Internal Auditing; and
 - Disaster Management

2.2.3 Department: Financial Services

The Department: Financial Services consists of the following sections:

- Income and Expenditure,
- Procurement;
- Customer Care and Billing
- Asset Management
- Budgeting and Reporting; and
- Financial Reporting.

2.2.4 Department: Technical Services

The Department: Technical Services consists of four sections:

- Municipal Infrastructure Implementation;
- GIS and Planning;
- Municipal Infrastructure Operations and Maintenance;
- Environmental Health;
- Supporting unit through Department of Environmental Affairs.
- Water Service Authority; and
- Community Development Facilitation

2.2.5 Department: Corporate Services

The Department: Corporate Services consists of the following sections:

- Human Resources;
- Administrative Services / Council support;
- Information Technology;
- Registry Services
- Fleet Management; and
- Security services for the building

2.3 Municipal Organogram

The organisational structure of the municipality which was approved as part of the final 2012/17 IDP has 166 posts of which 56 of them are vacant. The increase of municipal staff from 112 during 2011/12 was necessitated by the integration of staff from Uthukela Water as the municipality will be performing the water service provision function as from the 01 July 2012 and also to creation of other essential posts to enable the municipality to function effectively

The organizational and departments organograms are attached as Annexure J3.

2.4 Policies

The municipality has prepared policies which will enable the municipality to perform its powers and functions effectively; the policies which are in place are as follows as per the responsible implementing departments, and most of the policies are in the process of being reviewed to ensure that they are relevant and practical in terms of implementation:

Name of the Policy	Responsible Department
Budget Policy	Finance
Transfer and Budget funds	Finance
Banking and Investment	Finance
Asset and Management	Finance
Fleet Management	Finance

Supply Chain Management	Finance
Grants and Donations	Finance
Indigent and Support	Technical Services
Land and Asset Disposal	Finance
Petty Cash	Finance
Tariffs	Finance
Credit card	Finance
Treatment and Valuation of Inventory	Finance
Risk Management	Finance
Financial Regulations	Finance
Information Technology and Security	Corporate Services
Information Technology Strategy	Corporate Services
Information Technology Disaster Recovery Plan	Corporate Services
Credit control	Finance
Cell phone	Finance
Bursary	Corporate Services
PMS Policy	Office of the Municipal Manager
Employment Practise	Corporate Services
Succession Planning	Corporate Services
Sexual Harassment	Corporate Services
Relocation	Corporate Services
Intoxicating and Substance Abuse	Corporate Services
Incapacity due to poor performance	Corporate Services
Incapacity due to ill health	Planning and Social Development
Housing	Corporate Services
Attendance and Punctuality	Corporate Services
Retention	Corporate Services
Leave	Corporate Services
Free basic Sanitation	Technical Services
Free Basic water	Technical Serves
Service level	Technical Serves

New policies that are still at discussion level within the municipality is the External Bursary Policy, Internship and Learnership policy. These policies are currently being reviewed and will be integrated into the next IDP Review.

2.5 Employment Equity Plan

In accordance with the Employment Equity Act (No 55 of 1998), the municipality submitted the 2011/12 Employment Equity Plan on January 2012 to the National Department of Labour, the plan seeks to address the numerical goals in the terms of demographics within the municipality. The plan indicates significant progress made thus far by the municipality in addressing challenges relating to enhanced demographics. The 2012/13 Employment Equity Plan is in the process of being developed and then be submitted to the Department of Labour.

2.6 Workplace Skills Development Plan

In accordance with the Skills Development Act and Skills Levy Act, municipalities have to prepare and review the Workplace Skills Development Plan. The plan seeks to address employee's skills development, scarce skills and also skills audit of the municipality. The municipality is in the process of reviewing the Workplace Skills Development Plan as required by the said Act, through the undertaking of the skills audit for the employees in order to identify the training interventions, for implementation during 2012/13 financial year.

The municipality is registered with the Local Government Sector Education and Training Authority (LGSETA), and skills development relating to all levels of employees functions have been undertaken and integrated into the plan.

2.7 Retention Strategy

Municipalities located in rural areas are unable to retain skilled staff in their posts due to financial constraints, and they can't compete with well resourced municipalities. In order to address this challenge, the municipality has developed the retention strategy which will assist the municipality in retaining staff thereby ensuring effective in service delivery. The retention policy is in place and is in the process of being reviewed, for the implementation during 2012/13 financial year.

2.8 The Intergovernmental Relations Structures

The Intergovernmental Relations Framework Act (No 13 of 2005) stipulates that there must be a district Intergovernmental forum to promote and facilitate intergovernmental relations between the district and local municipalities within the district. Section 25 (1) of the legislation further indicates that:

A district intergovernmental forum consists of:

- a) the mayor of the district municipality;
- b) the mayors of the local municipalities in the district or, if a local municipality does not have a mayor, a councillor designated by the municipality; and
- c) the administrator of any of those municipalities if the municipality is subject to an interventions in terms of section 139 of the constitution.

In terms of Section 26 (1), the functions to be performed by the forum as stipulated in the legislation are as follows:

- a) draft national and provincial legislation relating to matters affecting local government interests in the district;
- b) the implementation of national and provincial policy and legislation with respect to such matters in the district;
- c) matters arising in the Premier's intergovernmental forum affecting the district;
- d) mutual support in terms of section 88 of the Municipal Structures Act (No 177 of 1998);
- e) the provision of services in the district;
- f) coherent planning and development in the district;
- g) the co-ordinations and alignment of the strategic and performance plans and priorities, objectives, strategies of the municipalities in the district;
- h) any other matters of strategic importance which affect the interests of the municipalities in the district.

Umzinyathi District Municipality has the following Intergovernmental Relations structures in place:

Intergovernmental Relations Forum	Objective of the Function	Functionality
Umzinyathi District Coordinating Forum	The objective of the forum is to promote and facilitate intergovernmental relations and cooperative government between the district and local municipalities, the forum meets on quarterly basis and is functioning properly. The new protocol agreement was signed on the 17 November 2011.	Yes
Municipal Managers Forum	The Municipal Managers Forum serves as a technical support to the District Coordinating Forum and implements their resolutions. The members of the technical support structure are the	Yes

	Municipal Managers of the district family of municipalities, or officials designated by them, and it also meets on quarterly basis and is functioning properly.	
Speakers Forum	The forum has been recently established and the Terms of Reference for the forum will be discussed at its first meeting to be held in March 2012	Recently established
General and Social Service Forum	The forum deals with matters relating to the Special groups which is youth, women, people living with disability, gender, children and elderly, and it also consist of government departments whose line function deals with the special groups.	
Provincial IGR COGTA meeting	Its a provincial structure which is being attended by the municipalities, its purpose is to track progress regarding the functioning of IGR	
Corporate Services Forum	The purpose of the forum is to share information on Administrative, Human Resource and Information Technology issues matters, and also to provide advice to the Municipal Managers Forum such matters.	yes
IDP Representative Forum	The purpose of the forum is to serve as a platform where the district family of municipalities meet with the sector departments, private organisations, business, NGO's and CBO's to discuss developmental issues that affect the district family.	Yes
Planning and Development Forum	The purpose of the forum is to co-ordinate planning and development within Umzinyathi District by ensuring improved and continued communication amongst the various planning sectors, and also to ensure that planning and development within the District is undertaken in a holistic way and that it takes place within the framework of all Municipalities' Integrated Development Plans.	Yes
Disaster Advisory Forum	The purpose of the forum is to implement, monitor and co-ordinate all disaster management related issues within Umzinyathi District by ensuring improved and continued communication. The forum consists of representatives from the district and local municipalities, SAPS, Traffic, emergency services etc.	Yes

District Communicators Forum	<p>The functions of the forum include but are not limited to the following:</p> <ul style="list-style-type: none"> • To coordinate the sharing of information pertaining to all spheres of government; • To coordinate and organise a calendar of events for the district to ensure that these activities are streamlined across the district to avoid duplication and waste of resources; and • To provide support to local municipalities with regard to development of communication strategies. 	Yes
Planning Cross border alignment Forum	<p>This forum ensures alignment and integration of functional areas on the IDP and Spatial development framework. It also assists the municipalities to align development issues in an efficient, effective and sustainable manner especially where there are shared and interdependent functional areas across the district.</p>	Yes
Disaster Cross border alignment Forum	<p>This forum ensures alignment and integration of functional areas on the Disaster Management.</p>	Yes
Chief Financial Officer Forum	<p>The purpose of the forum is to share information on financial management and also to provide advice to the Municipal Managers Forum on financial matters.</p>	Yes
Infrastructure Forum	<p>The purpose of the forum is to ensure integration and alignment of Infrastructure projects being implemented within the district.</p>	Yes
IDP Technical Committee	<p>The purpose of the forum is to:</p> <ul style="list-style-type: none"> • Streamlining planning process; • Finding a common district wide development vision; • Consolidation and alignment of programmes and budgets; • Unifying the channelling of both private and public sector investments; • Combating socio-economic ills in a strategic and coordinated manner; 	Yes

	<p>and</p> <ul style="list-style-type: none"> Put forward a plan of action that will enjoy political buy-in at levels. 	
Tourism Forum	Tourism is one the key economic sectors within the district. Therefore, the purpose of the forum is to coordinate and implement economic Tourism programmes and projects within the district.	Yes
Agricultural Forum	Agriculture is one the key economic sectors within the district. Therefore, the purpose of the forum is to coordinate and implement agricultural programmes and projects within the district.	Not fully effective

2.8.1 Challenges of Intergovernmental Relations Structures

Some the of the Intergovernmental Relations Structures that have been established by the municipality to ensure coordination and integration, are experiencing challenges and are not fully operational. The challenges being experienced are as follows but not limited to:

- Lack of participation of the sector departments and relevant stakeholders;
- Lack of human capacity from the local municipalities within the district; and
- Lack of consistency from the sector departments and stakeholders in attending meetings.

The municipality has appointed Sigma IT to re-establish the IGR forums and also to assist in determining challenges which could make the forums not functional, and then develop strategies which would ensure the effective function of the forums.

2.9 AUDIT COMMITTEE

The municipality has a functional Shared Services Audit Committee as required in terms of section 166(6)(a) of the Municipal Finance Management Act 56 of 2003 and Section 14(2)(a) of Municipal Planning and Performance Management Regulations 2001.

The broad objectives of the committee are as follows: -

- Maintaining oversight responsibilities of all financial and performance reporting;
- Seeking reasonable assurance that the operations of the Municipality are conducted efficiently and effectively;
- Seeking reasonable assurance that the Council has developed and complies with its policies, plans, procedures and internal controls.

- Seeking assurance that the Council complies with relevant legislation, regulations and professional pronouncements;

2.10 INTERNAL AUDITORS

In order for the Audit Committee to meet the broad objectives, the municipality established a Shared Services Internal Auditors to assist in attending to internal audit matters prior to submission to the Audit committee. The responsibilities of the Internal Auditors, amongst others are as follows:

- Review the Internal Audit Charter;
- Review the annual risk based plan and the internal audit program; and
- Ensure that all identified risk areas are prioritized and incorporated in the annual internal audit plan.

As part of building internal capacity, the municipality has an internal Auditor who works with the shared services internal auditors as part of skills transfer, the municipality has also appointed a second person to strengthen the internal capacity.

2.11 IDP INSTITUTIONAL ARRANGEMENTS

In order to ensure ownership of the process, the municipality continued to utilise the existing institutions as much as possible. The roles and responsibilities of participants in the planning process were defined in the 2012/13 IDP Process Plan. The institutional arrangements for the Comprehensive IDP are shown in table below:

MUNICIPAL STRUCTURE	RESPONSIBILITY
Council	<p>As the ultimate political decision-making body of the municipality, the Municipal Council has to:</p> <ul style="list-style-type: none"> ○ Considers comments made in the previous IDP Review Process and adopts a new Framework / Process Plan (FP / PP); ○ Ensures the consideration of the national and provincial budgeting processes as well as inform the municipal budgeting process; ○ Adopts the final IDP or IDP Review by the end of June annually; and ○ Approves Sector Plans upon their completion
Executive Committee	<p>The Executive Committee:</p> <ul style="list-style-type: none"> ○ Delegate the overall management, co-ordination and monitoring of the process and drafting of the IDP to the Municipal Manager; and ○ Approve nominated persons to be in charge of the different roles, activities and responsibilities of the process and drafting.

MUNICIPAL STRUCTURE	RESPONSIBILITY
IDP Steering Committee	<p>Consists of the Municipal Manager, IDP Manager and the Municipal Heads of Departments, their functions are as follows:</p> <ul style="list-style-type: none"> ○ Takes guidance from the IDP RF; ○ Drafts the IDP document and processes; ○ Makes content recommendations in terms of the IDP; and ○ Appoints task teams as and when required.
IDP Representative Forum	<p>Consists of IDP Steering Committee members, Sector Departments, business, service providers, traditional leader's representatives, NGO's and civil society organizations. The role of the Representative forum is to:</p> <ul style="list-style-type: none"> ○ Guides and directs IDP Steering Committee; ○ Represents community interests; ○ Is a mechanism for discussion, negotiation & decision making; ○ Ensures communication amongst all stakeholder; and ○ Monitors the planning and implementation process.
IDP Manager	<p>The role of the IDP manager is to assist the Municipal Manager in the co-ordination and management of the IDP process. This entails:</p> <ul style="list-style-type: none"> ○ Being responsible for secretarial services associated with the IDP meetings; ○ Responding to comments on the draft IDP from the public comments; ○ Horizontal and vertical alignment with other spheres of government; and ○ Responsible for the development of the IDP as delegated by the Municipal Manger on behalf of Council; ○ Ensure advertisement and submission of the IDP to COGTA; ○ Day to day management of the IDP.
IDP Technical Committee	<p>Consist of LED and IDP personnel from the district and local municipalities, including the public and private sector. The role of the IDP Technical Committee s to:</p> <ul style="list-style-type: none"> ○ Consolidate and align programmes; ○ Unifying the channelling of both private and public Sector investments; and ○ Combating socio-economic ills in a strategic and coordinated manner and strengthening partnership and integration within the municipalities.

2.12 ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

2.12.1 Individual Performance Management System

The 2011/12 performance agreements and employment contracts for all Section 57 Managers were signed on time and submitted to the Department of Co-operative Governance and Traditional Affairs, three quarterly performance assessments have been undertaken and reports forwarded to the Internal Auditors, Audit Committee and

ExCo. The performance agreements of the Section 57 Managers emanated from the Service Delivery and Budget Implementation Plan which links the organizational goals and targets of the organization.

The 2012/13 performance agreements for all Section 57 Managers will also be signed on time before the end of July 2012, after the approval of the Service Delivery and Budget Implementation Plan, and be submitted to the Department of Co-operative Governance and Traditional Affairs.

2.12.2 Organisational Performance Management System

The municipality has a functional Organisational Performance Management System that addresses performance needs of the organization and also serves to promote a culture of performance management and to administer its affairs in an economical, effective, efficient and accountable manner as required by Section 38 of the Municipal Systems Act (No32 of 2000). The system has been functional since its development and is currently under implementation during 2011/12 financial year.

In terms of measuring the performance of the municipality in implementing the 2012/17 IDP, the municipality has reviewed the entire system and developed the following:

- Organisational Scorecard;
- Four Departmental Scorecards;
- Performance Framework Plan; and

The Performance Policy is currently being reviewed with the other policies of the municipality, and will be completed in June 2012. The organisational scorecard for 2012/13 have been developed and integrated into the 2012/17 IDP.

The organisational scorecard has been attached to the IDP as Annexure J 4.

2.13 ANNUAL REPORT

Umzinyathi District Municipality has prepared the 2010/11 Annual Report as required by Section 121 (1) of the Municipal Finance Management Act No. 56 of 2003 and section 46 (1) of the Municipal Systems Act No. 32 of 2000. The annual report was tabled before Council on the 25 January 2012 for approval, and was subsequently approved.

Subsequent to the Council approval, the the Annual Report has been advertised for public comments, and submitted to the Department of Co-operative Governance and Traditional Affairs, Auditor General, Provincial and National Treasury for comments and inputs. The 2010/11 Annual Report complied with the provisions of Section 46 (1) of the Municipal Systems Act No. 32 of 2000, and those areas are as follows:

- Municipality's performance during the 2010/11 financial year along with the performance targets are reflected;
- Baseline of 2009/10 and 2010/11;
- General Key performance Indicators to relevant powers and functions;
- 2010/11 IDP targets reflected;
- Corrective action reflected;
- Development and service delivery priorities and performance targets for 2011/2012;
- Financial statements for the 2010/11 financial year prepared according to generally recognised accounting practices; and
- Audit Report from the Auditor-General.

On the 27 February 2012, the Municipal Public Accounts Committee performed an oversight function on behalf of Council on the 2010/11 Annual Report, and they have prepared an Oversight Report.

The 2010/11 Annual Report will be approved by Council on the 20 March 2012.

2.14 DISASTER MANAGEMENT

In terms of the Disaster Management Act (No 53 of 2002) section 25 states that each municipality within an applicable disaster management framework:

- Prepare a disaster management plan for its area according to prevailing circumstances;
- Co-ordinate and align the implementation of its plan with other organs of state and institutional role players; and
- Regularly review and update its plans.

Umzinyathi District Municipality adhered to the provisions of the Disaster Management Act (No 53 of 2002), and prepared a comprehensive Disaster Management Plan during 2008/09 financial year.

2.14.1 Risk Assessment

As part of the preparation of the Disaster Management Plan, risk assessment was undertaken to determine the type of risks prevailing in the municipal area in order to develop risk reduction methodologies. Through this process the following was taken into consideration:

- Identification of hazards;
- Risk consideration areas;
- Critical facilities analysis;
- Economical analysis;
- Environmental analysis; and

- Mitigating opportunity analysis.

Subsequent to the completion of risk assessment, a number of risks prevailing within the municipal area were identified which are as follows but not limited to::

- Fire (Veld, shack, structural, plantation);
- HIV/Aids;
- Floods;
- Lighting strikes;
- Road accidents;
- Droughts;
- High winds. Water shortage

The above identified hazards have been categorized for each local municipality and spatial represented in a map showing the vulnerable areas to different hazards.

2.14.2 Mitigating measures

The municipality has established project teams to implement projects aimed at mitigating the impact of the hazards and the projects have also been identified. The project teams comprises of multi-disciplinary team to play different roles in mitigating hazards. The roles to be performed by each stakeholder in relation to each hazard have been determined and they have also been workshoped on their roles.

2.14.3 Contingency Plans

As the risks prevailing within the municipality were identifies, the next step was then to develop the contingency plans for the identified. The contingency plans are developed to:

- Transfer contingency and scenario planning skills;
- To develop draft disaster management contingency plans that will address the identified hazards in a multidisciplinary and integrated manner
- To identify early warning systems, response and mobilisation mechanism.

Contingency Plans have been reviewed for the following hazards and potential risks associated with the Umzinyathi District Municipality area:

- Fires;
- Hazardous materials;
- Air craft incident;
- Epidemics;
- Weather related;
- Explosion

2.14.4 Status of the Local Municipalities Disaster Management Plans

The Disaster Management Plans for Umvoti and Endumeni Local Municipalities have been developed and are in place. Nquthu and Msinga Local Municipalities have no Disaster Management Plans in place due to financial constraints.

2.14.5 Disaster Management Volunteers Programme

Umzinyathi District Disaster Management Volunteers Unit has been established to develop a support program for the community emergency service operations that will focus on helping the communities to deal with disasters or unusual circumstances. Furthermore, the Department of Rural Development and Land Reform will be assisting Msinga Local Municipality with thirty nine (39) volunteers during 2012/13 financial year.

2.14.6 2012/13 Disaster Management Programmes

- Umzinyathi District Municipality is to assist Nquthu Municipality to develop its Disaster Management Plan during the 2012/13 financial year. A service provider is in the process of being appointed through the Department of Rural Development and Land Reform to develop a Disaster management plan for Msinga Municipality during the 2012/13 financial year
- Installation of Box Message facility at the Umzinyathi District Disaster Management Centre. The facility serves to send huge quantities of messages at any one time to huge number of people. e.g to all staff, councillors and LMs and is critical during disasters.
- Installation of one weather satellite stations in each local municipality;
- Review and update of the district Disaster Management Plan and framework to update the risks and mitigating measures during 2012/13 financial year.

Disaster Management Plan is attached herewith as Annexure J 2.

2.15 MUNICIPAL TURNAROUND STRATEGY

During 2009, National Department of Co-operative Governance and Traditional Affairs visited all 283 municipalities in the country to undertake provincial assessments. The purpose of the assessments was to determine the key challenges facing local government and to establish root causes for poor performance. From these assessments, the consolidated State of Local Government Report was compiled. Following the analysis of the results of these assessments and from the issues covered in the overview report, the LGTAS (Local Government Turnaround Strategy) was created. The LGTAS was approved by National Cabinet on 2 December 2009, and presented to a Cabinet Lekgotla in February 2010.

2.15.1 The objectives of the LGTAS are:

- **Restore the confidence** of the majority of our people in our municipalities, as the delivery machine of the developmental state at a local level and make municipalities the pride of our people; and
- **Re-build and improve the basic requirements** for a functional, accountable, responsive, effective, efficient developmental local government

2.15.2 Umzinyathi District Municipal – Municipal Turn Around Strategy

The Turnaround Strategy for Umzinyathi District Municipality was developed on the 13 – 14 April 2010. On the 24 August 2012, new Council reviewed the ten priorities of the Municipal Turnaround Strategy. New Council resolved to keep the same priorities for continuation in terms of implementation in order to realize concrete desired results. The ten priorities for the Municipal Turnaround Strategy are as follows:

No	Priority Projects	Responsible Portfolio Committee
1.	Water	Technical Services
2.	Sanitation	Technical Services
3.	Access Roads	Technical Services
4.	Refuse Removal	Technical Services
5.	Revenue enhancement strategy	Finance
6.	Implementation of the LED Strategy	Office of the Municipal Manager
7.	Capital expenditure / Cashflow management	Finance
8.	HIV/Aids and poverty alleviation programmes	Office of the Municipal Manager
9.	Youth, women and people living with disability programmes	Office of the Municipal Manager
10.	Energy / Electricity (preparation of the Electrification Development Plan)	Technical Services

As part of the monitoring process for the implementation of the above ten priorities, quarterly reports are being prepared indicating progress made in reaching the targets, submitted to ExCo and Council, and subsequently submitted to the Department of Co-operative Governance and Traditional Affairs.

2.16 DEVELOPMENT PLANNING SHARED SERVICES

2.16.1 Background to the Development Planning Shared Services

The Department of Co-operative Governance and Traditional Affairs rolled out the development planning shared services in all 10 district municipalities. The shared services intention is to :

- Optimise planning functions and resources in District families to increase efficiency and reduce costs of service;
- Create an environment of learning where junior and inexperienced staff can be mentored by more experienced staff;
- Promote continuity where the loss of one staff member should not disrupt services;
- Promote integration and alignment (IDP – Spatial Plans – Housing etc); and
- Replace previous DLGTA Capacity Building Programmes

2.16.2 Progress For Umzinyathi District Family Shared Services

All four local municipalities and the district are part of the Development Planning Shared Services, and have signed the Business Plan and Service Level Agreement. The structure for Umzinyathi district family of municipalities has six posts, of which two of them, namely, the Chief Planner and GIS Specialist are located at the district level.

The two Senior Planners and GIS Technicians are being shared by the local municipalities, but located at Umvoti and Endumeni Local Municipalities, the sharing of the personnel is as follows as outlined in the business plan:

- First Senior Planner will be shared by uMvoti and Msinga Local Municipalities on a ratio of 12 : 8 (i.e. 12 days per month for uMvoti, 8 days for Msinga);
- Second Senior Planner will be shared by Endumeni and Nquthu Local Municipalities on a ratio of 12 : 8 (i.e. 12 days per month for Endumeni and 8 days for Nquthu);
- First GIS Technician will be shared by uMvoti and Msinga Local Municipalities on an equal basis; and
- Second GIS Technician will be shared by the Endumeni and Nqutu Local Municipalities on an equal basis.

Five of the six posts in the Shared Services have been filled with one GIS Technician post in the process of being filled, and it is amongst the fully functional shared services in the province

2.16.3 Development Planning Strategic Programmes

The programmes and projects to be implemented by Development Planning Shared Services during 2012/13 financial year are as follows:

- To render support to the remaining municipalities to have their delegations gazetted and their fee structures in place;
- Development of a system for receiving, commenting and approval of the development applications in line with the Planning and Development Act;
- Develop a three (3) year comprehensive town planning strategy to influence all local municipal planning budgets; and
- Workshop on Planning and Development Act, to officials and councillors.

2.16.4 GIS Strategic Programmes

The programmes and projects which are currently being implemented for GIS are as follows:

- Establishment of the Corporate GIS for UMzinyathi and family of Local Municipalities for the Corporate GIS purpose of enhancing Shared Services Initiative;
- Assisting Technical Services to digitally verify, capture and document water and sanitation infrastructure projects within the district, for the enhancement of the Water Services Development Plan and also the Spatial Development Framework. The GIS strategy and policy
- Development of the GIS Strategy and policy which outline a complete GIS solution and guidelines for sustainability. This will be in line with the corporate GIS solution that the municipality is currently unfolding. The day to day use of GIS requires a GIS user policy that will outline GIS user processes and standards for internal clients and external clients.

GIS Programmes and projects for implementation during 2012/13 financial year are as follows:

- Development of Corporate Water Management System (CWMS);
- Spatial Capture and updating of district Wide Water Meters for billing purposes;
and
- Corporate GIS Website and Strategy maintenance and administration

CHAPTER 3: SPATIAL DEVELOPMENT FRAMEWORK AND ENVIRONMENTAL ANALYSIS

3.1 SPATIAL DEVELOPMENT FRAMEWORK

Umzinyathi District Municipality is currently developing a new Spatial Development Framework which would guide the spatial implementation of the 3rd generation of the IDP's. Progress to date, the draft Spatial Development Framework has been completed for comments and inputs, and has been and integrated into the final IDP, and will also be submitted to the Department of Co-operative Governance and Traditional Affairs with the IDP for comments and inputs. The final Spatial Development Framework is expected to be completed by the end of June 2012.

The summary of the draft Spatial Development Framework which has been completed is as follows:

1. Introduction

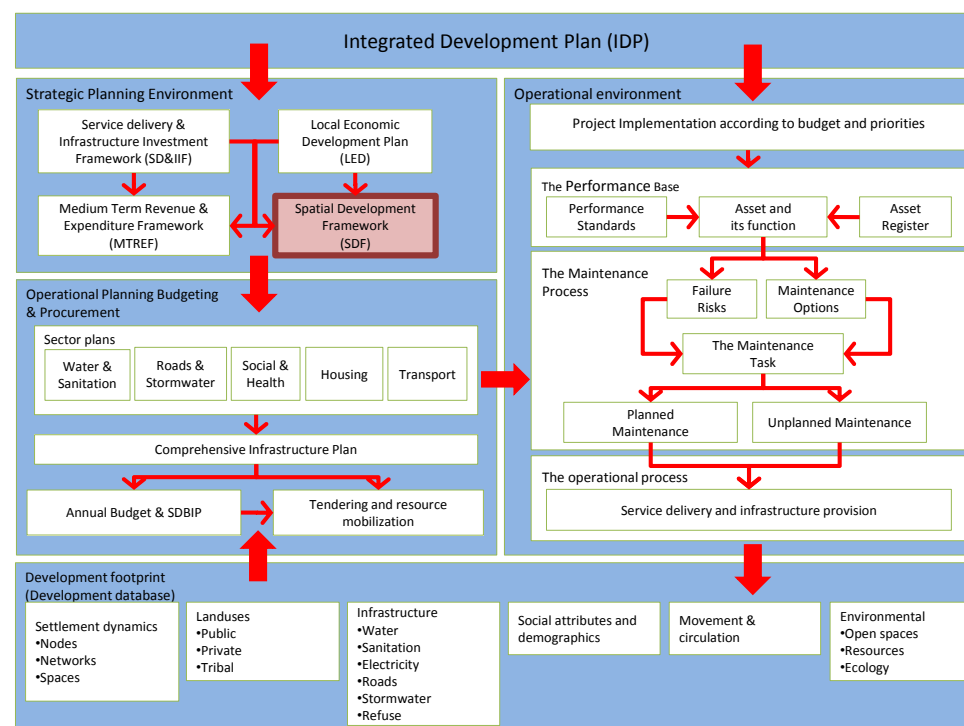
A Spatial Development Framework (SDF) is regarded as an integral part of an Integrated Development Plan (IDP) as required by Section 26 of the Municipal Systems Act of 2000 (Act 32 of 2000). In terms of the act, a SDF “...must include the provision of basic guidelines for a land use management system for the municipality.” However, a SDF is not a one-dimensional map or plan. It seeks to arrange development activities, land uses and the built form - in such a manner that they can accommodate the ideas and desires of people - without compromising the natural environment and how services are delivered. If not done properly, the system will be very costly, inefficient and can even collapse. A fine balance must be maintained at all times: too much emphasis on one element can harm the system; if development happens too quickly, infrastructure provision cannot keep up. In the final analysis, objectives of a SDF must be realistic and achievable.

1.1 The SDF within the context of municipal planning

All human activities have a spatial dimension. On the one hand, human action affects space and on the other hand, space helps to shape and direct human action. This dynamic relationship is addressed in a SDF. The figure below highlights the central and strategic role that the SDF plays in the municipal environment. Developing and implementing a sustainable SDF is a pivotal activity in any municipality. The need to integrate spatial planning and delivery with other core activities in the municipality is critical. The diagram illustrates this point.

1.2 The SDF focus: The extent of the municipal area requires a dual approach. The focus is on the total municipal area. At this level, the emphasis is on determining and assessing municipal wide trends and tendencies with the aim to:

1. Improve spatial functionality across the municipal area.
2. Integrate with the district and provincial SDFs.
3. Identify and develop a settlement typology for more detailed spatial planning.



The second focus area is more detailed and localised planning in terms of the agreed settlement typology. It might imply a broad distinction between spatial frameworks for the urban and rural components of the municipality. The focus remains integration and improved functionality in the local and broader spatial development system.

1.3 Key points of integration: Spatial development planning does not happen in isolation. It is necessary to be guided by and linked into other core planning processes in the Council. The basis for development planning processes is the Council's IDP, which will guide the process in terms of strategic priorities and links. Within the constitutional mandate of municipalities, namely access to services and local economic development, the Infrastructure Investment Plan (IIP) and the Local Economic Development Plan (LED) becomes the basis for other planning and integration activities.

Where the Medium Revenue and Expenditure Framework (MTREF) involve the Council's objectives in monetary terms, the SDF shows where these objectives will be achieved in spatial terms. The MTREF and SDF link with the Council's project prioritization and implementation processes, which in turn, are a derivative of the outcomes of the sector plans, which are based on the IIP and SDF within the context of the IDP.

All these activities are a function of the development footprint of the municipality, are influenced by it. It also aims to impact, and change this footprint where necessary. This approach will insure a seamless integration between the SDF and the other plans and functional activities in the Council.

1.4 Overall principles underlying future development

As shown in the chapter dealing with the Institutional Framework, there exist a multitude of principles, directives, and guidelines for spatial planning and development at national and provincial level. In terms of the White Paper on Spatial Planning and Land Use Management, 2001, "*The overall aim of the principles and norms is to achieve planning outcomes that:*

- *restructure spatially inefficient settlements;*
- *promote the sustainable use of the land resources in the country;*

- *channel resources to areas of greatest need and development potential, thereby redressing the inequitable historical treatment of marginalized areas;*
- *take into account the fiscal, institutional and administrative capacities of role players, the needs of communities and the environment;*
- *stimulate economic development opportunities in rural and urban areas; and*
- *support an equitable protection of rights to and in land."*

The various principles and directives can be translated into a set of **collective development objectives** in accordance with the national agenda that form the overarching objectives of the Spatial Development Framework, namely -.

- To promote sustainable development;
- To promote efficient development;
- To promote equitable development;
- To ensure integrated development, and
- To improve the quality and image of the physical environment.

1.5 Principles underlying national development objectives

Objective	Description
Efficiency	The objective of efficiency requires that optimal development levels and functionality must be achieved with the minimum expenditure of resources. The concept relates to both functional and operational aspects and includes issues such as growth management, optimal utilisation of strategic locations, usability, mobility, productivity, and accessibility. The lack of executive functions limits the municipal area in achieving this at a detailed level.
Sustainability	The objective of sustainability requires the sustainable management and use of both natural and man-made resources. Land use and development decisions must promote a harmonious relationship between the built and the natural environment while ensuring that land development is sustainable over the long term. Other aspects that need to be considered in the sphere of sustainability are conservation, environmental health and degradation, economic sustainability and community satisfaction. The principle of sustainable development is relevant throughout the entire municipality and in particular the Southern Drakensberg. Finding means of achieving balance between the conservation of this area and economic development is an important focus area of the Spatial Development Framework.
Equity	The objective of equity addresses social justice and fair and equal access to opportunities, facilities or

Objective	Description
	networks. Through planning, all residents irrespective of race, gender, ethnicity, faith or income should be dealt with in an equitable way. The objective of equity also refers to the manner in which planning will address the inequitable legacy inherited from the past.
Integration	The objective of integration requires that the separate and diverse elements involved in development planning and land use should be combined and coordinated into a more complete or harmonious whole. The objective of integration reflects the need to integrate systems, policies and approaches in land use planning and development. Firstly, it requires that the planning process is integrated, and secondly look at spatial integration of different land uses, transportation, and places of living with places of working and shopping and relaxing.
Livability and image	Livability and image include aspects such as convenience, safety, security and all other aspects related to one's experience of the physical environment, either as a resident or as a visitor. This aspect also directly relates to the marketability of the area from a qualitative perspective.

1.6 The legislative and policy environment – recognition & integration

The planning and development of cities, towns, and rural areas in South Africa are governed by a national developmental agenda. This agenda aims to improve the manner in which urban and rural areas develop to increase the efficiency, sustainability, and investment potential of all areas, better the conditions in which people live and conduct their daily lives and to protect valuable resources from irresponsible consumption. This developmental agenda finds expression in numerous sets of national and provincial legislation and policy documents. In order to ensure legitimacy, the Umzinyathi SDF must be formulated within the parameters of this institutional framework. In addition, the SDF is also affected by existing local strategic planning documents, such as the Integrated Development Plans, that direct development of the district and local municipalities.

1.7 National legislative and policy context

A number of acts and policies from national and provincial governments deal with spatial and physical development. It is impractical to deal with each one of these documents in detail. This section therefore instead focuses on legislation and policies that have a fundamental impact on the manner in which we address spatial and physical development in towns and rural areas in South Africa.

1.8 Legislation

South African legislation is largely enabling in nature. It therefore does not prescribe to municipalities but creates the necessary legal environment within which development and planning can take place. Recognising local government as one of the three spheres of government put a specific emphasis on intergovernmental relations. The implication is that the Council is primarily responsible to do their own planning while considering the interest and demands of the communities and stakeholders. This happens within a reciprocal consideration of the planning done in neighbouring municipalities and the other spheres of government.

1.9 National policies and frameworks

South Africa has put a strong emphasis on the development of policy. Policy shows government's intent and objectives which guides planning and decision-making. The key is to assess the impact of policy at local level in terms of its applicability and the Council's ability to sustain the development within set policy frameworks.

1.10 Provincial legislation, policies and frameworks

Provincial policies and frameworks have a more direct impact on local development. In the application of development frameworks or in considering development perspectives one should make a distinction between those aspects which lie within the control of the Council and those that affects the planning environment in the sense that the Council must recognise and adopt its approach and strategies accordingly.

1.11 Provincial legislation

The only relevant provincial legislation is the Kwazulu-Natal Planning and Development Act, 2008 (Act no. 6 OF 2008) which aims at regulating land use management matters. The provisions of the Act do not impact directly on the SDF but the SDF do have an direct impact on land use management through providing guidelines and guidance for development.

Provincial policies and development frameworks

Two policy frameworks are relevant in the provincial context. They are:

1. Provincial Spatial Economic Development Strategy (PSEDS)
2. Provincial Growth and Development Strategy (PGDS).

Provincial Spatial Economic Development Strategy

The PSEDS was developed as a response to the NSDP and ASGI-SA in 2006 as part of the process of aligning local IDPs and the NSDP within the framework of the PGDS. Although there is a later version of the PGDS the PSEDS remains valid in terms of its long-term spatial vision. The PSEDS emphasised an incremental approach to development by achieving the following:

- Provide spatial context to PGDS

- The PSEDS focus on four strategic development sectors namely:

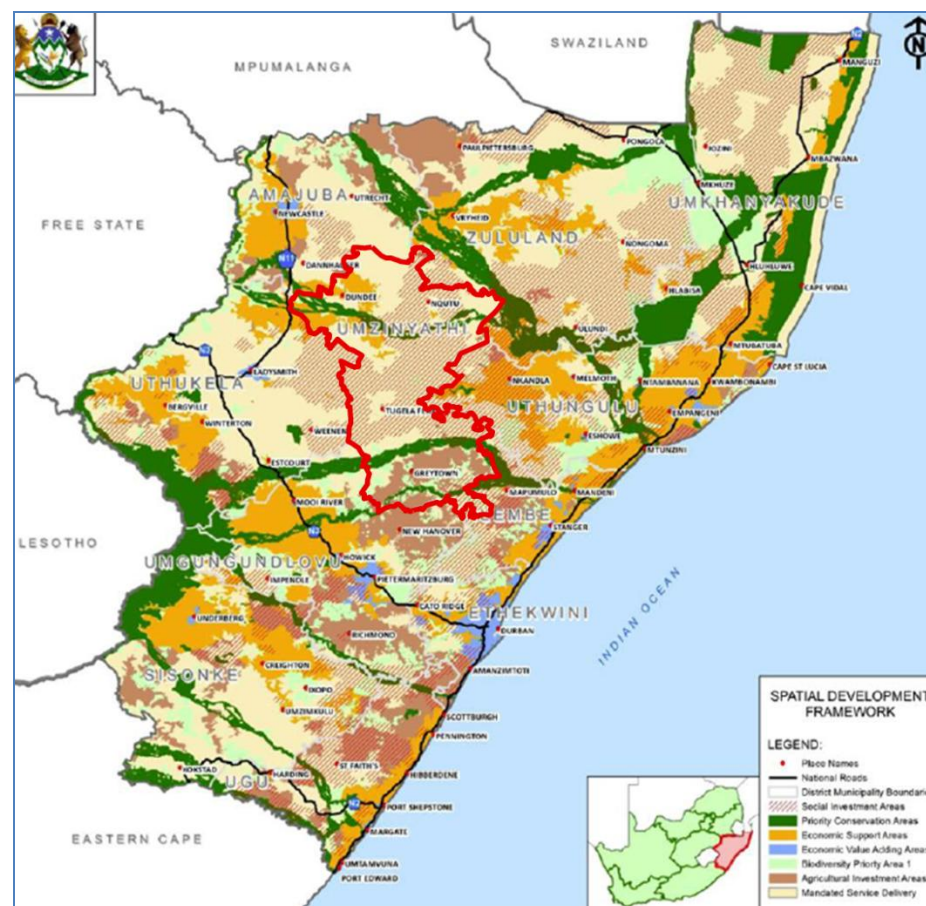
- ## The KwaZulu Natal Growth and Development Strategy 2011 (PGDS)

- Job creation
- Human resource development
- Strategic infrastructure
- Responsible climate change
- Governance and policy
- Spatial equity.

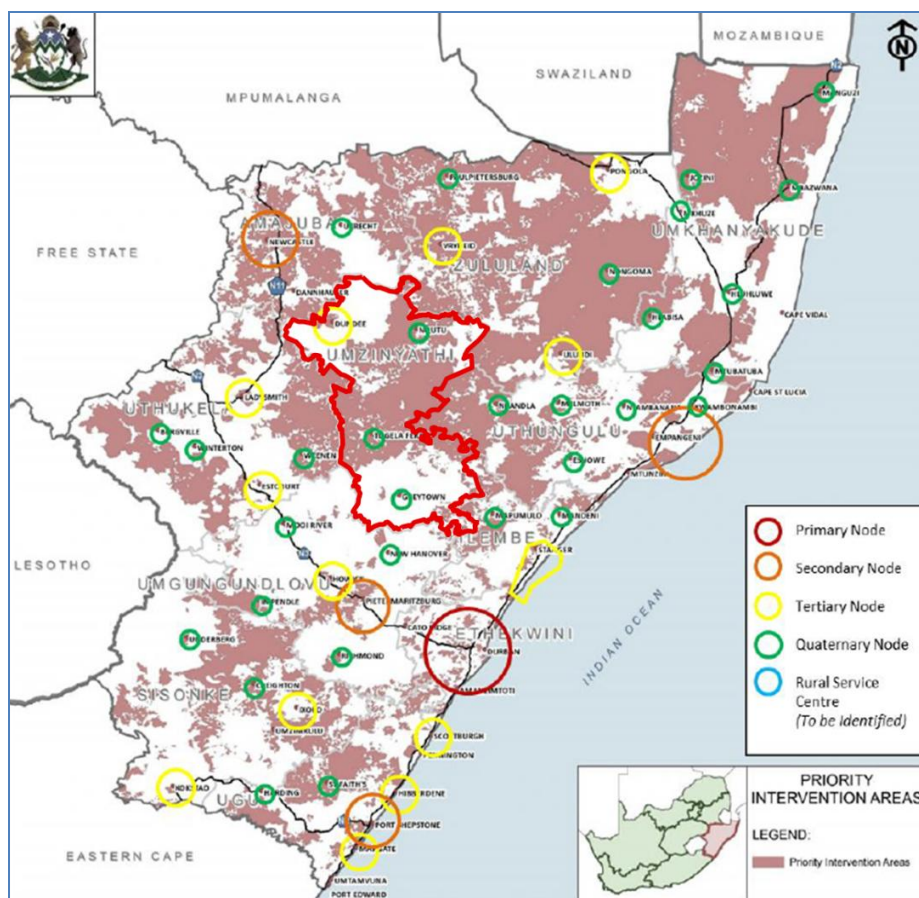
- Environmental planning
- Economic potential
- Sustainable communities
- Local self sufficiency
- Spatial concentration
- Sustainable rural livelihoods
- Balanced development
- Accessibility

- The provincial area was assessed in terms of social needs, economic potential, environmental vulnerability, and accessibility to establish five levels of intervention. The final framework indicates the area around Dundee as an “economic support area” the middle part and eastern parts of the DM area as “social investment areas” and the southern part around Greytown is earmarked as an “agricultural investment area.” The area is also traversed “priority conservation areas” along the major river valleys and the Biggarsberg range.

Map 3: KZN SDF 2011



Map 4: KZN SDF Nodal structure



All the elements highlighted in this section were incorporated and considered when this SDF was formulated.

2. The development alignment at district level

2.1 Inter-district alignment

Umzinyathi DM borders on six other DMs in KZN. They are:

- Amajuba
- Uthukela

- Umgungundlovu
- Ilembe
- Uthungulu
- Zululand

The following links between UDM and its neighbouring DMs were identified:

2.2 Nodal structure

UDM is affected in the following way by the nodal structure in the PSDF and the neighbouring DMs.

- Amajuba DM (DC25) Newcastle is a secondary node in terms of the PSDF. Dundee as a tertiary node is within its sphere of influence and one can accept the functional linkages between the two.
- Zululand DM (DC26) Vryheid is of a similar status as Dundee and one should consider the gravitation breakpoint between the two at an equal distance from the two nodes.
- Uthukela DM (DC23) Ladysmith is of a similar status as Dundee. Vryheid might have a slight advantage over Dundee in the sense that movement from the northern part of UDM tends to gravitate via Vryheid to the N3 and linking with the south.
- Uthungulu DM Ulundi does not have any functional linkages with the UDM area many because of accessibility constraints and Ulundi's relationship with the Empangeni area.
- Ilembe DM The Stanger nodal area should not have any direct impact on the southern parts of UDM since natural gravitation is rather towards Pietermaritzburg and Durban from Greytown and Tugela Ferry.
- Umgungundlovu DM Pietermaritzburg is to the south of UDM what Newcastle is to the north. It has the additional advantage that it provides the link with the Ethekwini area.

2.3 Networks (Expressed as “corridors” in the PSDF)

The following applies to network links in the DMs affected by UDM's SDF.

- Amajuba DM UDM is not directly affected by the N11 corridor

- (DC25) although it provides an important intermediate link for UDM to the N3 corridor and the rest of the country. The secondary corridor through Dannhauser to Dundee is not as important to UDM as the Dundee - N11 link at the Sunset rest/Fort Mistake intersection. Currently road quality may negatively impact on the status of this corridor.
- Zululand DM (DC26) The R33 from Vryheid to Dundee is important but the R68 link from Vryheid through Nqutu to Nkandla might not be a priority in the UDM context. It serves mainly an inter-regional rather than any explicit local function.
 - Uthukela DM (DC23) The Weenen-Tugela Ferry link is of regional importance and it should naturally extent to Estcourt and the N3. Current movement volumes along this rout are very high.
 - Uthungulu DM The link between Nkandla to Kranskop affects the UDM area as a secondary corridor but is not a priority in the UDM context.
 - Ilembe DM The further extension of the R74 from Kranskop to the south into Ilembe affects the UDM area but this secondary corridor is not a priority in the UDM context.
 - Umgungundlovu DM The extension of the R33 from Greytown through New Hannover to Pietermaritzburg is very important for UDM and should be regarded as a priority link between the two DM's.

2.4 Surfaces identified in the PSDF and affecting UDM and its neighbours

- Social intervention areas The social intervention areas are more or less the same as the areas under traditional leadership. They are marked by low intensity and low-density settlement. The cut across the UDM borders with all

the DM's as continuous areas except in the case between UDM and Amajuba and UDM and Umgungundlovu DM.

- Economic support areas The link in the PSDF between the Endumeni LM around Dundee and Glencoe with the Amajuba DM area. There are no cross border linkages with other DMs.
- Economic value adding areas Not applicable to any of the DM's and UDM.
- Biodiversity priority area 1 Three areas affect UDM and link it to its neighbours. The Biggarsberg range extents eastwards into Amajuba and cuts across to Zululand DM. The range that runs east west north of Greytown links UDM with the areas south of Estcourt through to the Drakensberg. The same area also extends eastward until it links with the lower Tugela valley between Uthungulu and Ilembe. The last area that link the UDM with Ilembe is the Mvoti River running from Mount Alida eastwards into Ilembe.
- Agricultural investment areas It is only the areas south of Greytown, linking to the area around New Hannover in Umgungundlovu that is indicated as agricultural investment areas. There are no other cross border linkages in this regard.

2.5 Intra-district alignment

The existing Umzinyathi SDF and the SDFs of the four constituting municipalities was the point of departure for this SDF. In this process, important principles do apply in terms of the South African government system.

- The Province, DM and LMs are recognised as constitutionally independent, as separate spheres of government, each responsible to meet their constitutional mandate and execute their respective powers and functions. One sphere of government can therefore not

prescribe to another. The DM's SDF can therefore not impose on the SDFs and strategies of the LMs. However, the principle of cooperative governance requires that organs of government coordinate and integrated efforts to achieve common objectives. In this sense, planning alignment is the first step to optimise the role of government in development.

- One cannot plan to implement where one do not have the necessary executive functions. In this respect it is thus important to focus primarily on the issues and functions, which the DM can legally address. This limited ability to execute and implement puts a very high premium on intergovernmental cooperation, and public-private relationships. The success of an SDF is thus largely dependent on the DM's ability to draw all role players together behind a single development vision.
- A SDF do not have any statutory powers and proposals in a SDF can therefore not be enforced by the municipality. In a judgment of the South Gauteng High Court, the Court stated that planning policies and those in a SDF or RSDF are indicative guidelines and not legal prescriptions.
- There is a clear need to move from a needs-based planning system to a resource-based system where interventions are backed by the necessary sustainable resources for implementation. Resources in this context refer to human and financial resources back by the necessary property plant and equipment. It implies that the SDF must translate needs into effective demand and where this cannot be done to highlights the cost of satisfying needs.

In achieving the goals of a SDF it is therefore incumbent on the SDF to convince stakeholders and beneficiaries of the benefits of subscribing to the proposal in an SDF as Council policy. This requires that the SDF must be rational, based on realistic and achievable objectives. It cannot simply be a needs statement and a conduit for political rhetoric and a large-scale simplification of a very complex reality.

2.6 SDFs of the local municipalities in the Umzinyathi area

Each of the municipalities in the DM areas has a SDF. The SDFs of Endumeni and Nqutu were reviewed recently, Msinga's SDF is currently under review, and Umvoti is in the process of starting their SDF review.

All the municipalities follow the principles of identifying nodes, networks and surfaces although the detail differs. There are clearly no agreed parameters for:

- Identifying and defining nodal hierarchies,
- A consistent approach in identifying corridors in terms of characteristics and functions, and
- Describing and categorizing surfaces as the basis for action and change processes.

The SDFs are largely a confirmation of historical and current development patterns, with no or very limited strategic direction for change and development. There is consequently no conflict in development alignment that impact on planning at the DM level.

A description of the development base

Current and future development is determined by a range of interacting and linked factors in the environment. It is necessary to have a clear understanding of these factors, their dynamics, and their reciprocal impact on each other. This understanding of the broader development system is necessary in order to be able to develop a strategy and plan for future development.

3. The biophysical factors

The **biophysical environment** is the symbiosis between the physical environment and the biological life forms within the environment. The biophysical environment can be divided into two categories: the natural environment and the built environment, with some overlap between the two.

3.1 Climate

The climate of southern Africa is influenced strongly by the position of the subcontinent in relation to the major circulation features of the southern hemisphere. However, in all areas topography exerts a strong control on rainfall and produces clear orographic¹ anomalies that are particularly evident in the case of Umzinyathi.

The following climate related factors are considered as important for development in the municipal area,

- Precipitation
- Temperature
- Evaporation
- Aridity zones
- Rainfall erosivity
- Moisture availability

3.2 Rainfall

In terms of the South Africa weather system, Umzinyathi falls within coastal summer rainfall areas. Rainfall is orographic in nature with the impact of the mountains and topography shown on the map. Rainfall in the municipal area ranges between 600mm to more than a 1000mm per annum. As the rainfall map indicates, rainfall exceeds 1000mm per annum in areas of the mountainous southeast. Rainfall in these areas is generally more than 800mm per annum but between 600mm and 800mm per annum as one reaches the savannah landscape in the northern parts of the municipal area.

Rainfall becomes more significant once it is linked to soil conditions, slope and intensity, together with agricultural and settlement practices contributes to erosion and general land degradation. These matters are dealt with in more detail later in this analysis.

3.3 Frost

Linked to the location of the municipal area and the impact of the general topography, frost occurs from more or less middle May in most of the area but somewhat earlier in the areas around Greytown. The central mountainous areas are generally frost free

The central areas are relatively frost-free the central areas and frost can occur until early spring in the northern and southern parts of the municipality. Frost is a factor in crop selection higher potential agricultural areas of the municipality.

3.4 Temperature

Umzinyathi is located in a moderate temperature region although significant temperature variations do occur at local level. The southern parts and specifically the mountainous area north of Greytown recorded the lowest maximum temperatures with average maximums below 25°C in summer. All areas where mountains dominate the landscape are relatively cooler with maximum temperatures ranging between 25°C and 27°C. The plateau landscape and foothills are slightly warmer in summer with maximum temperatures approaching 30°C. The higher temperatures are however found in the Tugela valley where maximum average temperatures exceed 30°C in summer.

The maximum temperature range over the total municipal area is about 5°C which is not much and there is no evidence that maximum temperature are a factor or constraint on development and development activities in the municipal area.

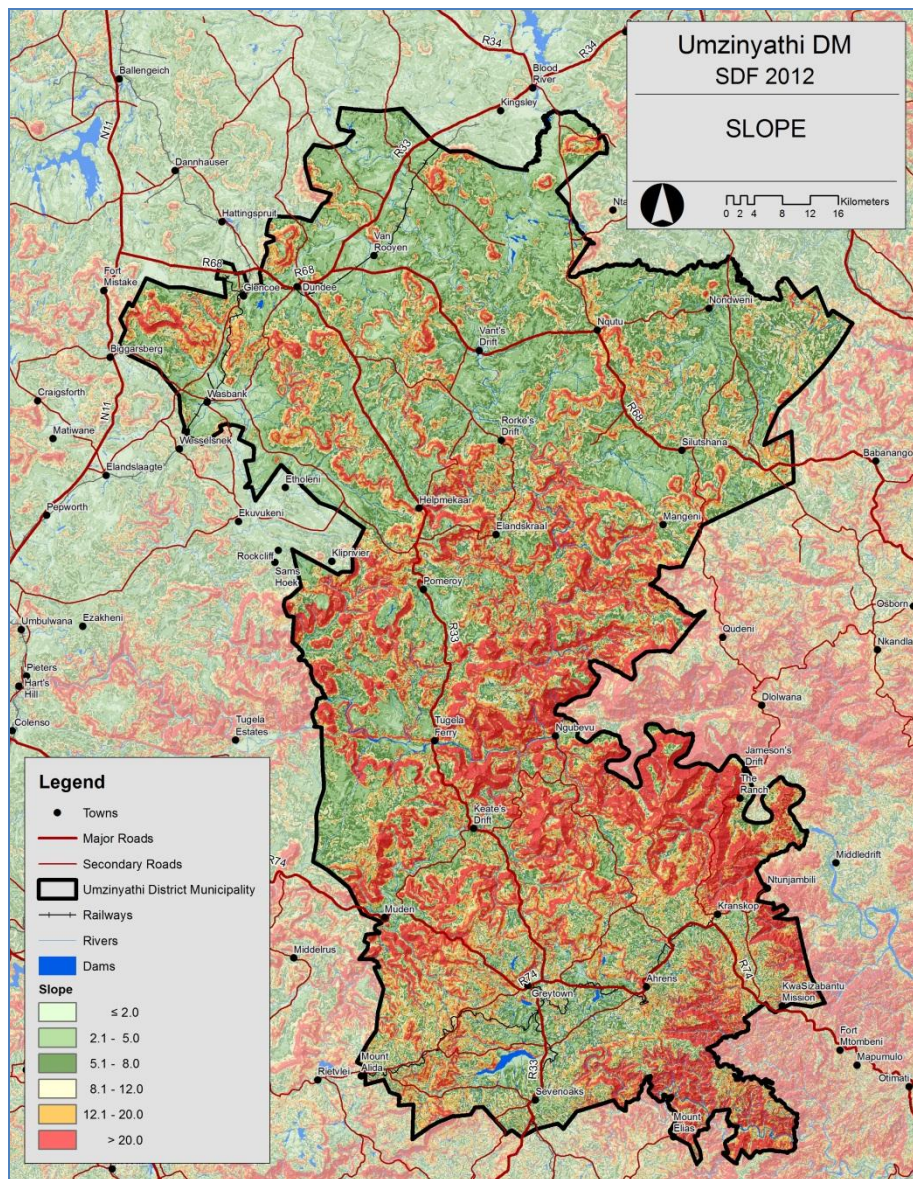
The Tugela River valley records the highest average minimum temperatures. Average minimum temperature in these valleys exceeds 8°C in winter. The whole mountainous area south of Mangeni-Rocke's Drift-Helpmekaar-Sams Hoek, down to the most southern parts of the municipal area record moderate winter temperatures ranging between 4°C and 8°C. The exception is the higher peaks immediately north of Greytown with minimum averages down to 2°C. The northern parts remain moderate with average minimum temperatures between 2°C and 6°C although north of Dundee in the Buffalo River valley average minimum temperatures drop below 0°C.

When the average maximum and minimum temperatures are compared the moderating effect of a coastal climate becomes evident in the south around Greytown. Although it reports lower maximums it also has generally higher average minimum temperatures. This generally favours the sugar cane farming along the Mooi River to the south west of Greytown and the forestry activities in the area. The opposite is also true of the northern part where the larger temperature variations of inland climates are evident.

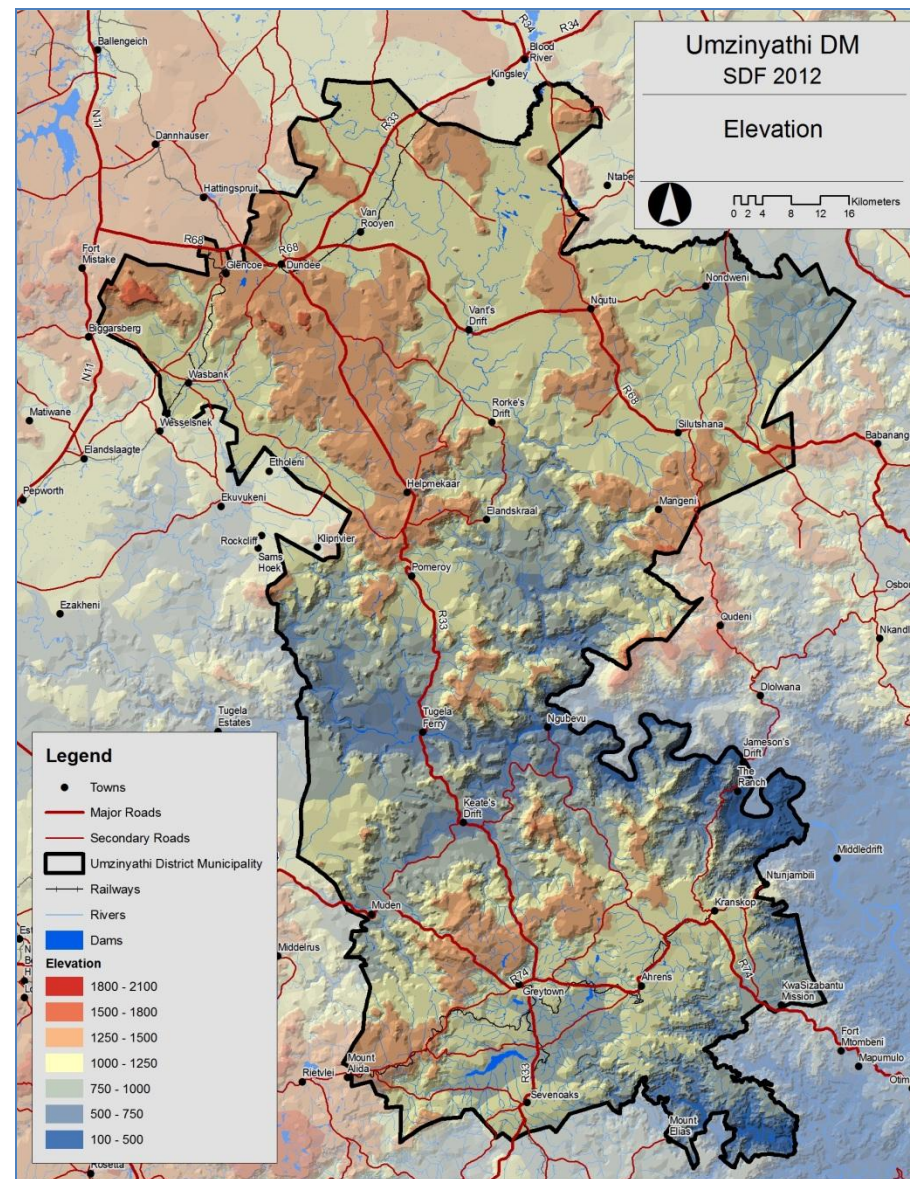
3.5 Slope

As is the case with the local terrain features, slope is a dominant feature in development in the municipal area. It largely determines locality and mobility. Not only is slope very important but also linked to the hydrology of the area and climate it can be regarded as the most important determinant of development and settlement patterns in the municipal area.

Map 5: Slope



Map 6: Elevation



An analysis of the terrain elevation shows very significant features. If this is linked to slope, then it is clear that the terrain morphology is the most dominant factor in determining settlement and settlement patterns.

The municipal area is clearly divided into three separate areas. The first is the northern plateau with the Biggarsberg and the Buffalo River valley dominating the landscape. The second element is the southern landscape defined by the mountains immediately north of Greytown and the Mvoti River valley. However, the most prominent area is the Tugela River valley into which the valleys carved by the Buffalo and Mooi Rivers feed into. The valley is marked by very deep gorges and steep slopes with very little land left for settlement and agriculture.

3.6 Vegetation

Natural vegetation is made up of individual plants, few or many, according to the habitat. These usually belong to a number of different species. They live together, competing with each other and perhaps assisting each other, so that a balance is maintained at a level of development determined by the locality or environment. Vegetation does have a direct agricultural impact but also plays an important role in urban development through carbon sequestration and the ability of certain habitats and plants to mitigate the impact of air and water pollution.

3.7 Acocks veld types

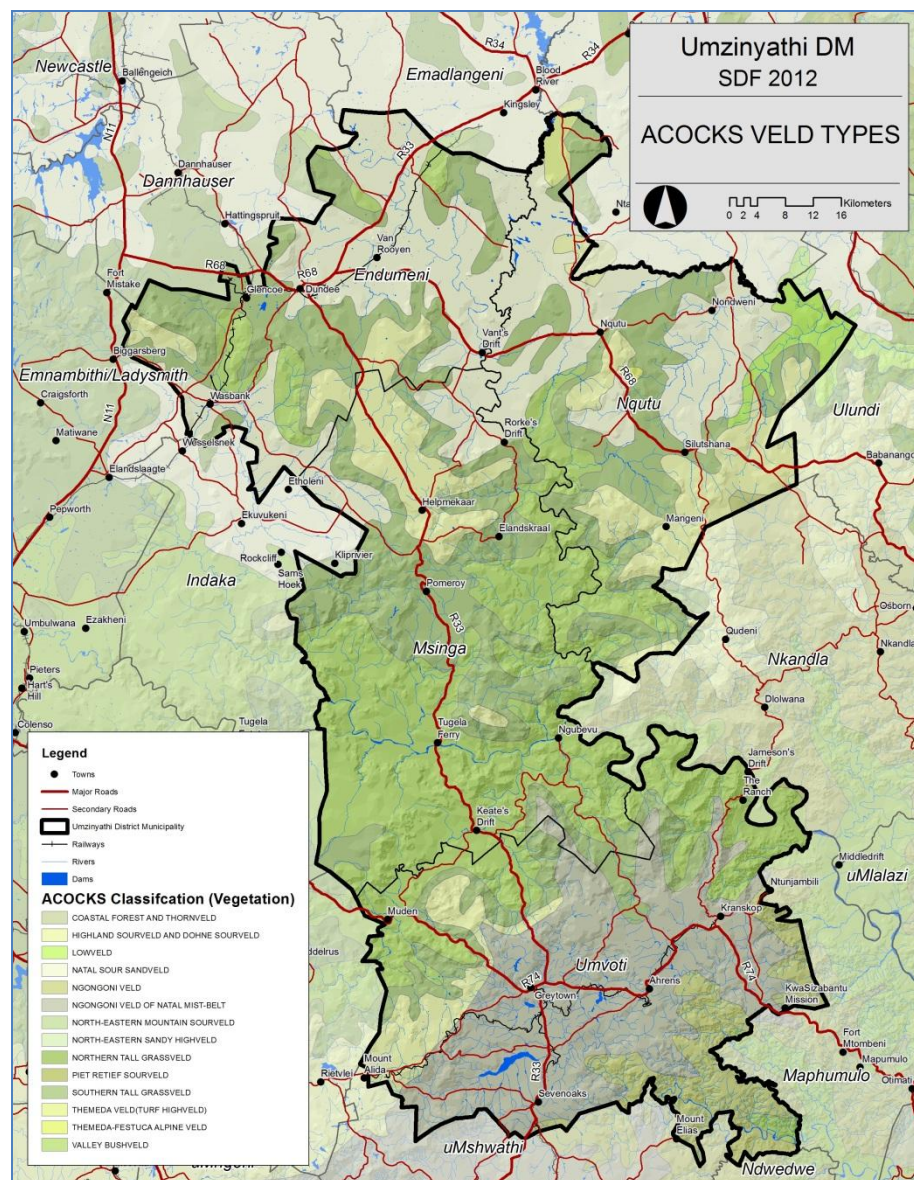
Vegetation changes according to the way it is treated. The concept of the veld type originated from a consideration both of botanical composition and of practical utilization. A veld type is a unit of vegetation whose range of variation is small enough to permit the whole of it to have the same farming potential. The challenge during the original conceptualization of veld types was to group the infinite variations of the vegetation (there are approximately 20 000 species of flowering plants in South Africa) into manageable units, and to separate the natural variations from the man-made ones.

The main driving force causing vegetation change is selective grazing. This causes the actual veld condition (species composition and cover) at a given time to differ from the modal veld type composition or benchmark.

Umzinyathi shows a large variation in veld types. It spans an area from the Ngongoni veld of the KwaZulu Natal mist belt, through the Valley Bushveld

to the KZN Sour Sandveld in the north combined with a range of sourveld types in the mountains and river valleys of the northern parts of the municipality.

Map 7: Acocks veld types



3.8 Degraded land

Land degradation is a concept in which the value of the biophysical environment is affected by one or more combinations of human-induced processes acting upon the land. It is viewed as any change or disturbance to the land perceived to be deleterious or undesirable. Natural hazards are excluded as a cause; however, human activities can indirectly affect phenomena such as floods and bushfires. Land degradation is a global problem, largely related to agricultural use. The major causes include:

- Land clearance, such as clear cutting and deforestation
- Agricultural depletion of soil nutrients through poor farming practices
- Livestock including overgrazing
- Inappropriate irrigation
- Urban sprawl and commercial development
- Land pollution including industrial waste
- Vehicle off-roading
- Quarrying of stone, sand, ore and minerals.

The main outcome of land degradation is a substantial reduction in the productivity of the land. The nature of degraded land, barren rock and erosion scars in particular, is such that they cannot be effectively shown at national scales. Considering that the general minimum mapping unit size of entries in the Land Cover Database is 25 ha, the occurrences that are shown are major and are to be considered with great concern. Land degradation also corresponds with former homelands.

Land degradation is a general feature of the Umzinyathi landscape and a direct consequence of unsustainable farming in the past or, maybe more serious, over grazing, indiscriminate settlement and overpopulation of certain areas. Given the inability of the environment to regenerate itself the consequences of degradation continues for decades into the future.

Examples of land degradation through agricultural practices in the Umzinyathi area



Land degradation through over grazing



Land degradation due to inappropriate cropping



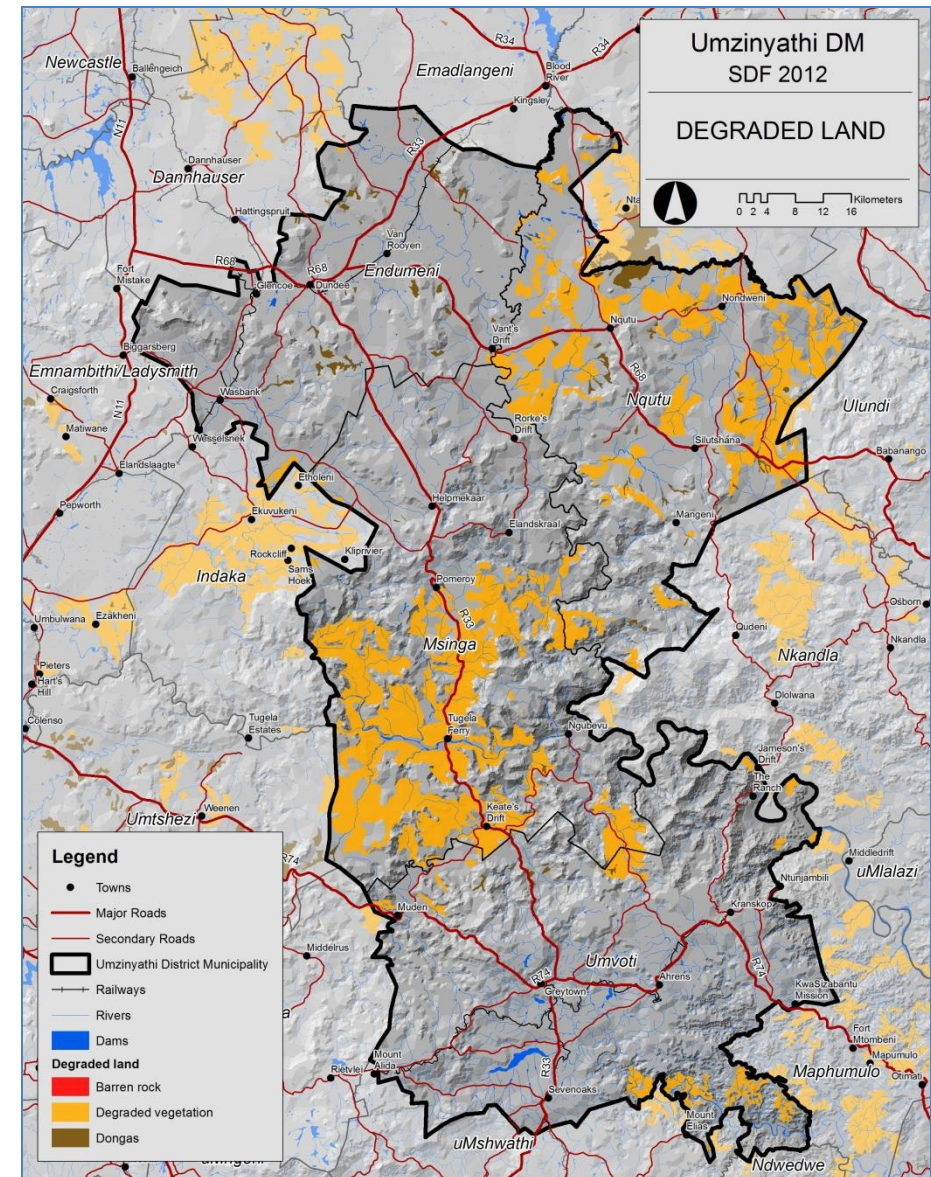
Land degradation through mining



Land degradation due to development pressure and urban activities

Land degradation is not only limited to the rural areas but also urban and mining development often has irreversible impact on the environment. The photos above show examples of land degradation due to over grazing, inappropriate cropping practices, mining, and urban development in Umzinyathi. Land degradation does not only affect the natural environment but it decreases the livability, economic investment potential and esthetic value of the urban and rural environment.

Map 8: Degraded land



The spatial aspects of socio-demographic factors

4. Population density and distribution

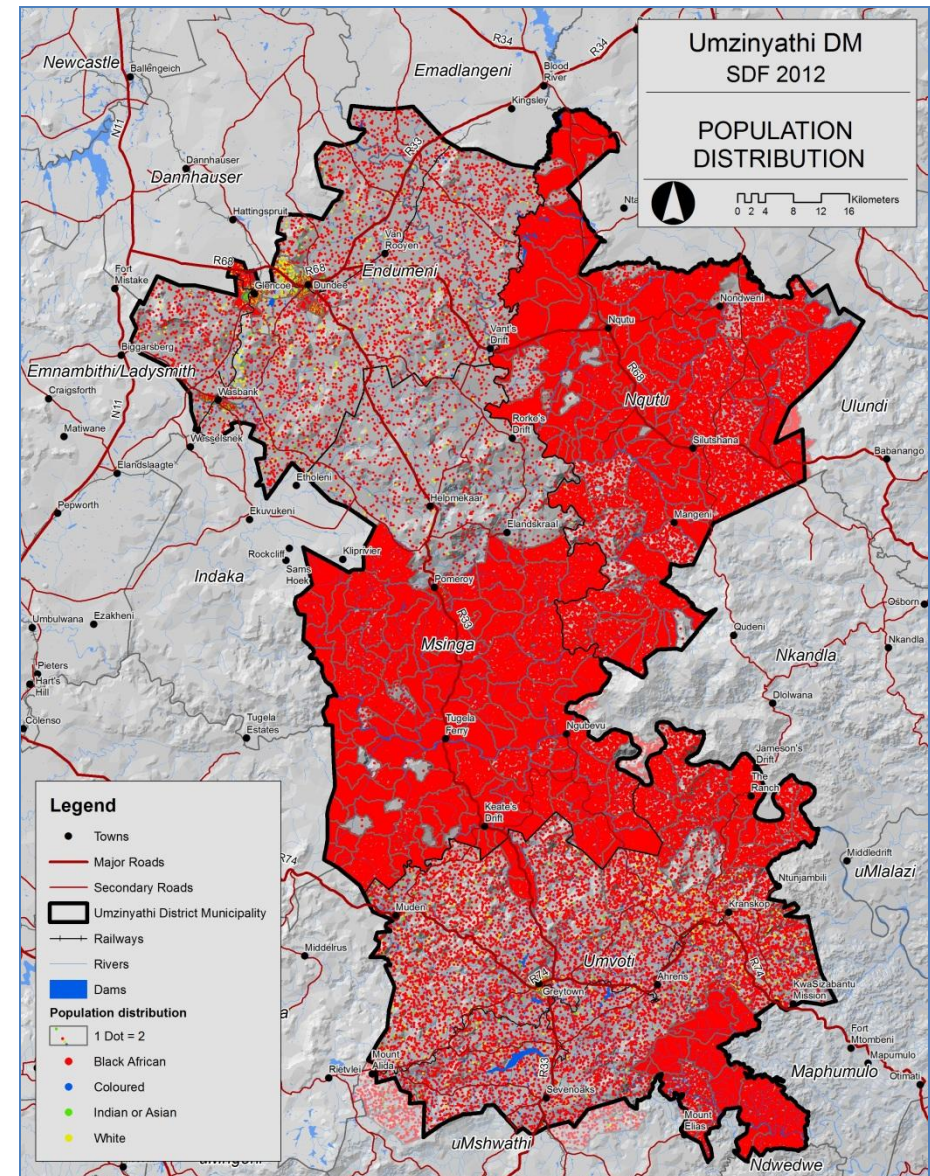
Population distribution can be dealt with in terms of four distinct areas. The first is the low density farming areas of Endumeni and Msinga; the second is the rural settlement in Nqutu and Msinga. The third is the higher density settlement in the Dundee-Glencoe complex and the last is settlement in Umvoti. The table below shows the details of household and population densities throughout the municipal area. The extent of change in these variables is dealt with later in this section.

Population and household size and densities

	Households 2012		Population 2012		Household size	Area (ha)	Household density (hh/ha)	Population density (p/ha)
	Total	%	Total	%				
Endumeni	13 581	12.4%	57 709	11.3%	4.25	161 290	0.084	0.36
Msinga	33 990	31.1%	168 551	32.9%	4.96	253 581	0.134	0.66
Nqutu	33 481	30.7%	163 483	31.9%	4.88	196 021	0.171	0.83
Umvoti	28 173	25.8%	122 780	24.0%	4.36	263 416	0.107	0.47
Total	109 225	100.0%	512 522	100.0%	4.69	874 308	0.125	0.59

Endumeni and the northern parts of Msinga exhibits typical patterns associated with commercial farming areas. The commercial farming areas in Msinga have a lower density than that of Endumeni. The Dundee-Glencoe urban complex shows substantially higher densities and is the focus of development in the north. Nqutu's and Msinga's population density is more than double that of Endumeni. However, there is an absence of clear population concentration points in these areas and the settlement patterns and spatial distribution of the populations is a challenge rather than the population numbers for the area. The Umvoti area is relatively denser with a larger population than Endumeni but population distribution factors are becoming a challenge for service delivery.

Map 9: Population distribution



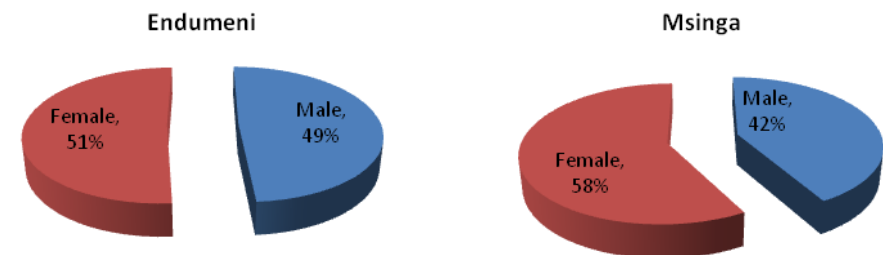
The key issue to consider from the age distribution of the people is the extent to which the lifecycle needs of the different age groups can be met through the spatial planning process.

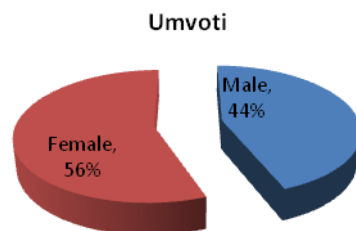
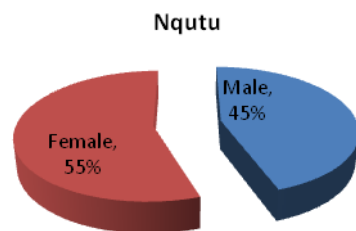
4.1 Gender distribution

Gender distribution is important since it provides an indicator of the extent of migrant labour in the municipal area. Male absenteeism indicates that men left the area to work elsewhere. The opposite is an indication of the availability of jobs and job opportunities.

There are substantially more females in all Msinga, Nqutu and Umvoti while Endumeni has a more “normal” distribution in terms of the national profile. One can safely assume that there are large numbers of males leaving the area to work elsewhere. From a social development point of view, this leads to a range of challenges. From an economic point of view, it introduces the concept of a displaced economic base for the area. It implies that the area's real economic base is elsewhere and in planning for the area one should recognise that national and even international economic trends and tendencies might have a bigger impact on the wellbeing of the local population than local economic factors itself. For example, if a large number of the migrants are working on the Free State Goldfields a drop in the gold price that might cause the closure of a mine in Welkom will increase poverty in Msinga.

Figure 1: Gender ratios





4.2 Level of education

The distribution of level of education confirms the broad socio-economic patterns in the municipal area. The next table summarises education levels.

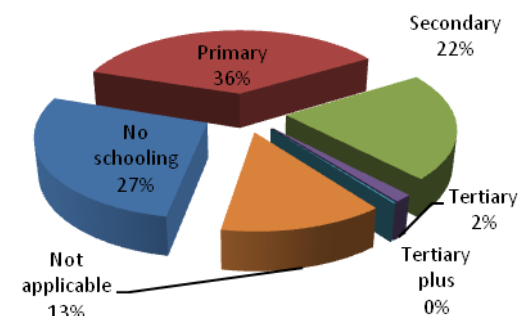
The educational levels in the Municipality are very low. More than 30% of the population has no education while more than 70% has less than a secondary school education.

Less than 2% have a post matric education.

Spatially the distribution of education levels between municipalities and between urban and rural areas differs significantly. There are a higher concentration of people with secondary and post-matric in the urban areas. The level of education highlights the importance of the primary sector, especially

agriculture, to accommodate and absorb unskilled workers and the limited opportunities for higher skilled workers in the current make-up of the local economy.

Level of education

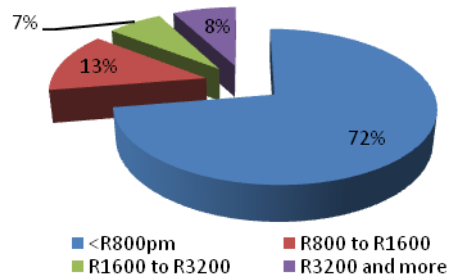


4.3 Household income and poverty

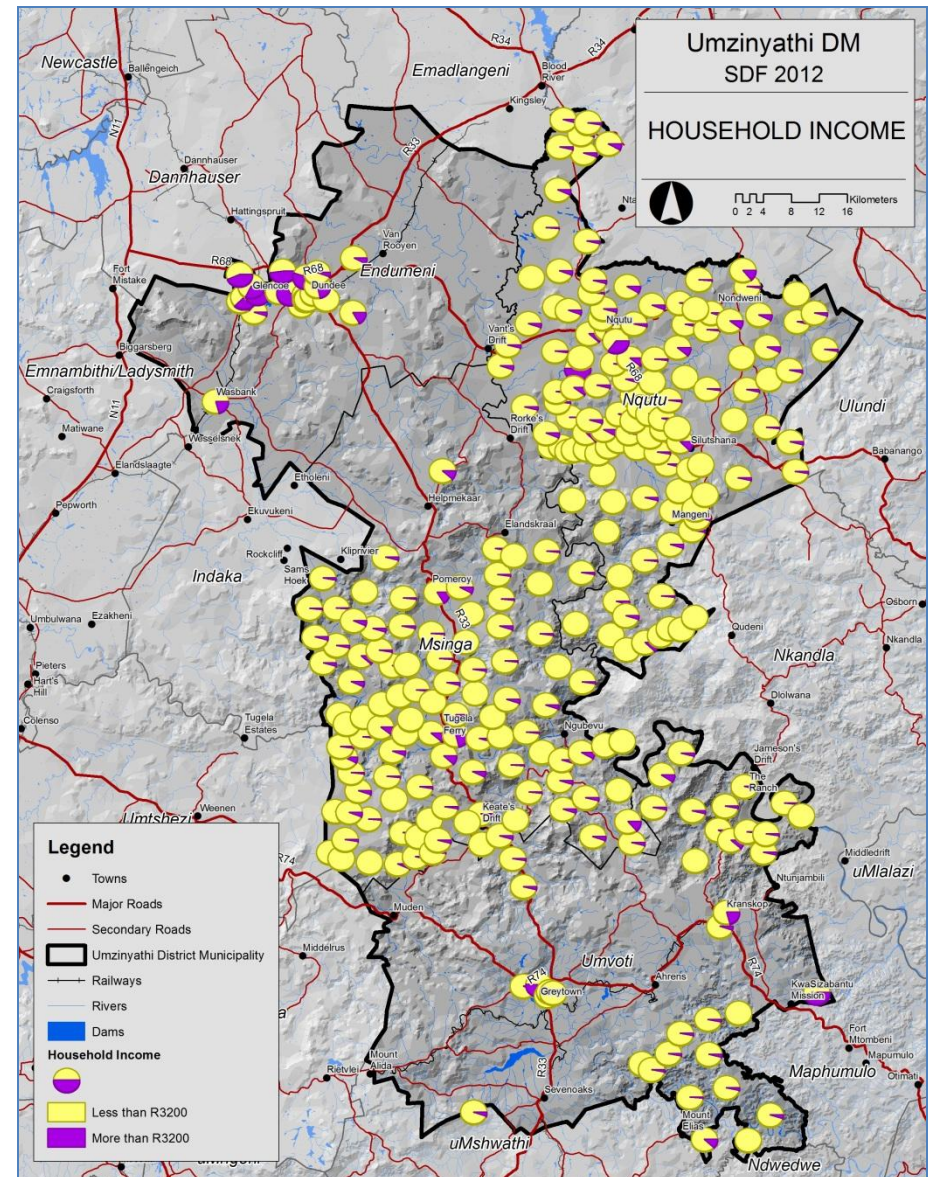
The map showing household income distribution is one of the most significant maps showing the extent of the poverty problems in the municipal area. R3200 per month is generally regarded as a good measure for poverty since it is more or less the cut off point for government assistance to poor households. The implications of this profile are profound. It implies that the local municipal councils have a limited resource base and thus a very limited ability to make a significant impact on development in general. The councils are highly dependent on grants and subsidies to be able to sustain basic levels of service delivery. The financial implications of this aspect of development are dealt with later in the report.

All the areas report very low household income. Only selected areas in the core urban centres have households with income levels above R3200 per month. The practical implication of this profile is that there is no local revenue base for any of the councils.

Household income distribution



Map 10: Monthly household income



4.Services and Social Infrastructure

Services and social infrastructure is key to development. A constrained or underperforming services environment does not contribute to sustainable development. The availability of services that meets the expected performance criteria and access to these services are prerequisites for social and economic development.

4.1 Transportation links

Development is a function of accessibility. Remoteness and isolation never promotes and enhances development. Access to facilities and opportunities sustain development. Spatially, transportation networks and facilities play an important role in development.

The dominant development potential is strengthened or weakened by its accessibility and links with the broader development environment. Access and functional linkages are described by:

- Road, rail and air links
- The mode of transport utilised by households
- The accessibility of major towns as regional and local service centre
- The functional service area of the urban core.

4.2 Roads

A key feature and determinant of development in Umzinyathi is its location between major corridors linking the coast and Gauteng and the north coast and Mpumalanga. It is located to an extent in an “economic no man’s land” with very few intervening opportunities that defines it as a destination in itself. It is within a comfortable distance of major provincial nodes such as Newcastle, Ladysmith Vryheid, and Pietermaritzburg. The following distances apply:

Distances to major centres (km)

Major centre	Distance from Dundee	Distance from Greytown
Johannesburg	375	470
Durban	308	150
Pietermaritzburg	230	73
Newcastle	65	195
Ladysmith	70	124

Vryheid	73	199
Richardsbaai	275	217
Greytown	126	
Dundee		126

The extent of roads and road coverage is important as well as the quality and conditions of the roads. There is an estimated 2 701km of roads in Umzinyathi and 663km (25%) is tarred. Generally, the gravel roads outside the urban areas are in a good to fair condition. They are well maintained through ongoing programmes of the Provincial Government. The R33 between Dundee and Greytown is the most important regional link but its condition varies. The road is generally not well maintained. The section through Tugela Ferry is in a very poor condition and dangerous. A lack of stormwater management has washed away sections through the mountain that will be very expensive to repair.

4.3 Railway

The development and extension of railway lines played an important role in the history of the municipal area. Glencoe owes its existence to the construction of the main railway line between Johannesburg and Durban in the 19th century. A number of important railway lines affect the municipal area

- Durban-Ladysmith-Volksrust (and beyond to Union in Gauteng)
- Glencoe-Dundee-Vryheid Main Line
- Pietermaritzburg-Greytown-Kranskop Branch Line
- Mount Alida Branch Line

4.4 Air fields

There are licensed airports at Dundee and Greytown. Both have paved runways and both are registered with South African Civil Aviation Authority.

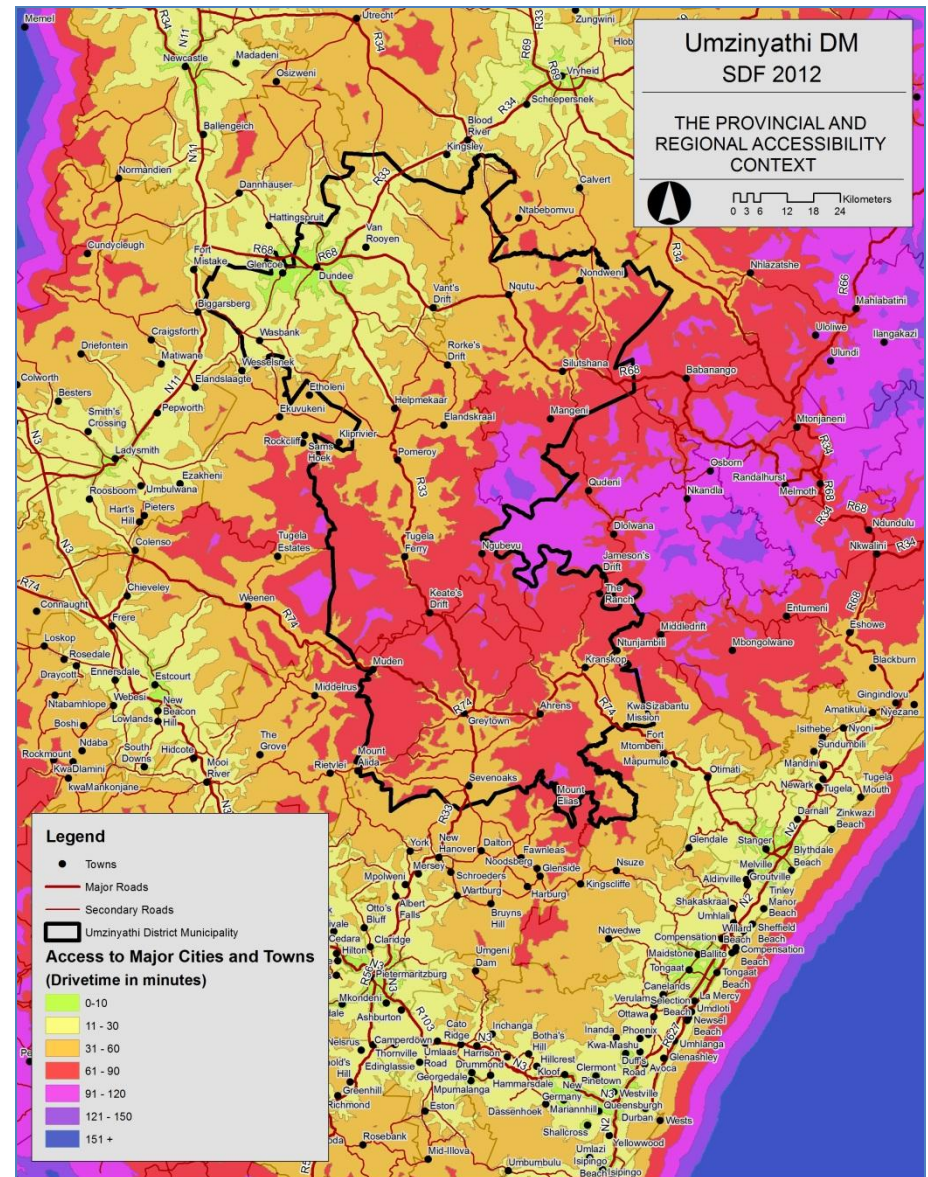
Airfield in Umzinyathi

Airfield	ICAO	Surface	Latitude	Longitude	Max Runway
Dundee	FADD	Paved	28° 10' 0"S	30° 13' 0" E	1000m
Greytown	FAGY	Paved	29° 07' 19"S	30° 35' 12"E	1500m
Zulu Wings		Grass	28° 07' 59"S	30° 22' 52" E	950m
Waterways		Grass	29° 01' 55"S	30° 40' 22" E	350m
Muden		Unknown	28° 25' 15" S	30° 24' 12" E	Unknown

4.5 Access and functional links

Although the municipal boundary describes the administrative unit, the function and impact of the urban core of the municipality does not necessarily follow the same boundaries. The extent of accessibility is shown on the next map.

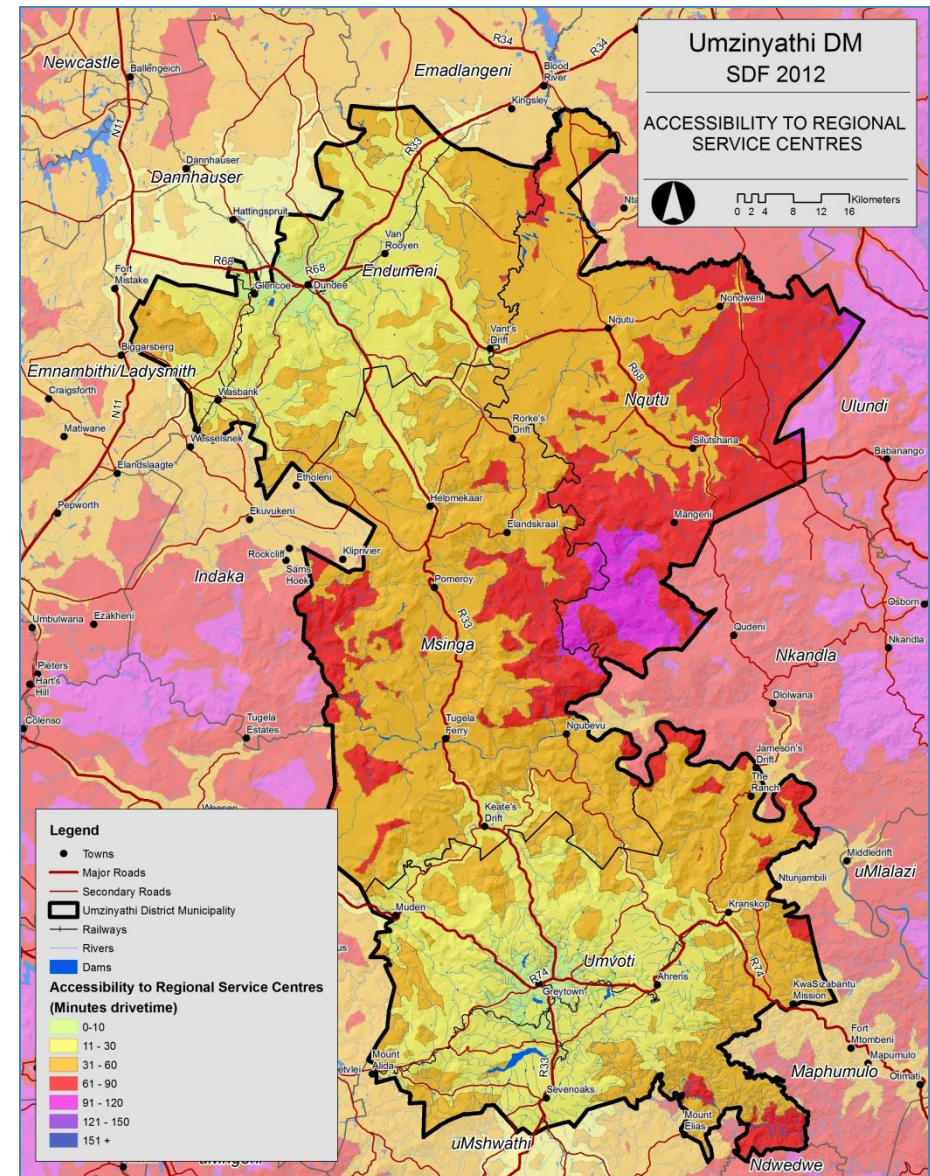
Map 11: The provincial and regional accessibility context



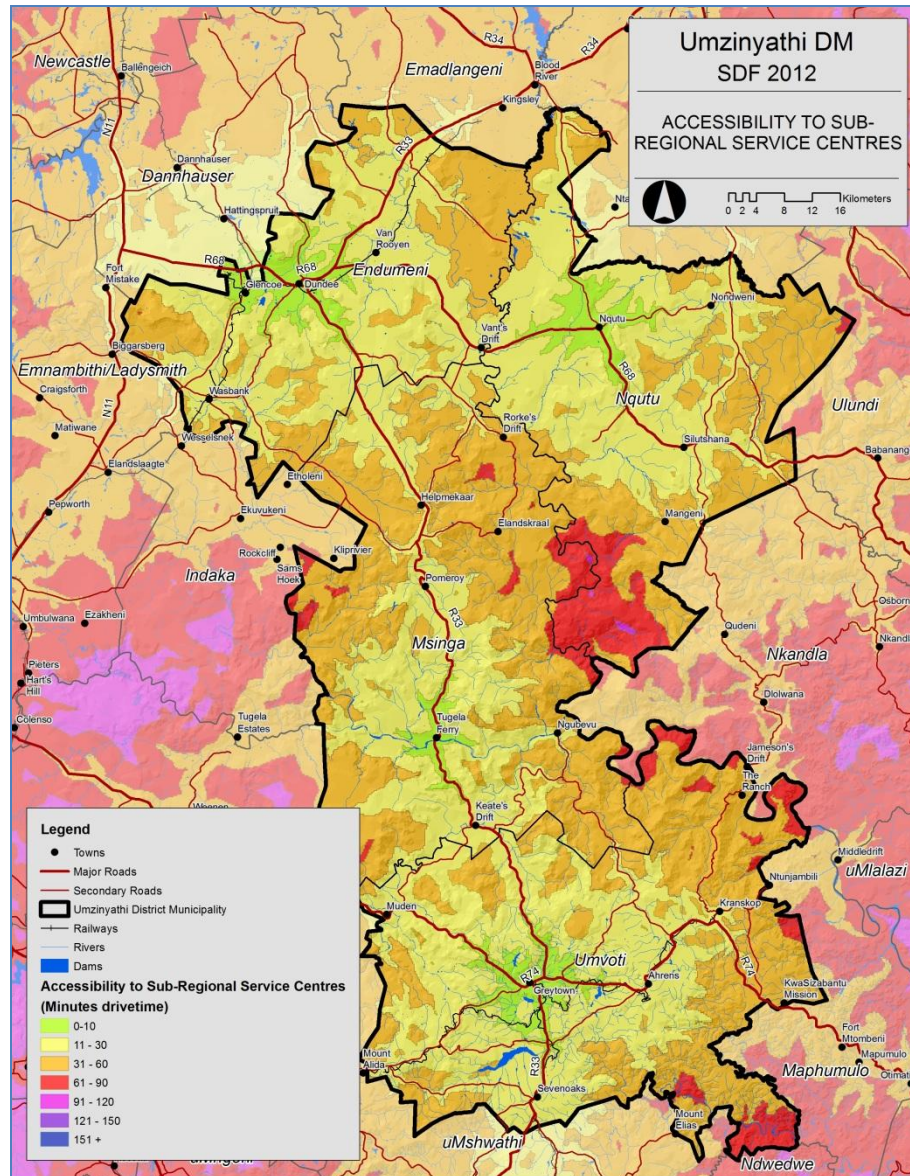
Regional and provincial accessibility was assessed from surrounding towns on the major routes through the province. The results show that only the southern and northern parts of the municipality are reasonably accessible. The area between Tugela Ferry and Greytown is very inaccessible and it correlates with the development challenges that were identified earlier in this assessment.

The next three maps show access within the municipal area. The first map, Map 12: Access and functional links: Regional service centres, assesses accessibility from the two higher order centres. The next level of assessment, accessibility when Nqutu and Tugela Ferry are added to as sub-regional service centres. If one now adds Wasbank, Pomeroy, and Kranskop as local service points, accessibility across the municipal area is very good. One can safely conclude that the basis structure and hierarchy of service points through the municipal area is well developed. This service point structure is a good basis for further focused on development initiatives.

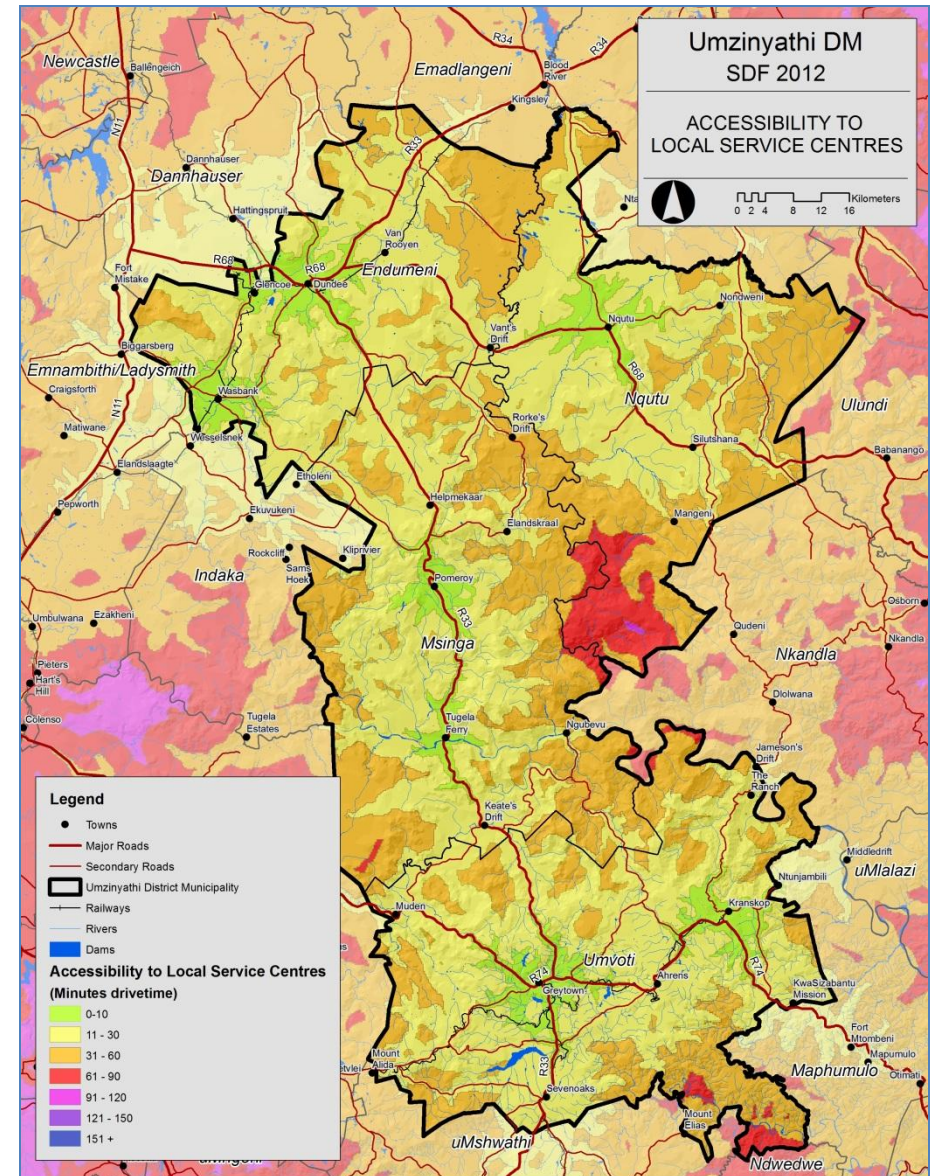
Map 12: Access and functional links: Regional service centres



Map 13: Access and functional links: Sub-regional service centres



Map14: Access and functional links: Local service centres



4.6 Transport and mobility

Access and accessibility is directly related to mobility and mobility in turn links to the mode of transport. The assessment in terms of drive time is based on a person travelling by motorcar. These parameters will clearly change if a person is walking or travelling on horseback.

The first factor to be considered is the people who do not travel. If those who do not travel or those who travel by foot are regarded as structurally immobile then the next tables indicate that there is practically a total immobility in the municipal area. The implication is if services are not brought to their doorstep, they cannot access services. STRUCTURAL IMMOBILITY is the biggest development barrier in the area.

Degree of immobility

	Endumeni	Nqutu	Msinga	Umvoti	Total
People not travelling	81.3%	96.6%	97.8%	90.0%	94.0%

Structural immobility can only be overcome if densities within a walking distance are high enough to meet the lower threshold values required to provide services on a sustainable basis.

One of the key drivers for development in South Africa is sustainable service delivery. In the light of the high level of immobility of the local population, the next table shows density thresholds based on walking and drive time norms for different community facilities. The fact is if one cannot achieve the minimum density norm then a facility cannot be sustained in an area.

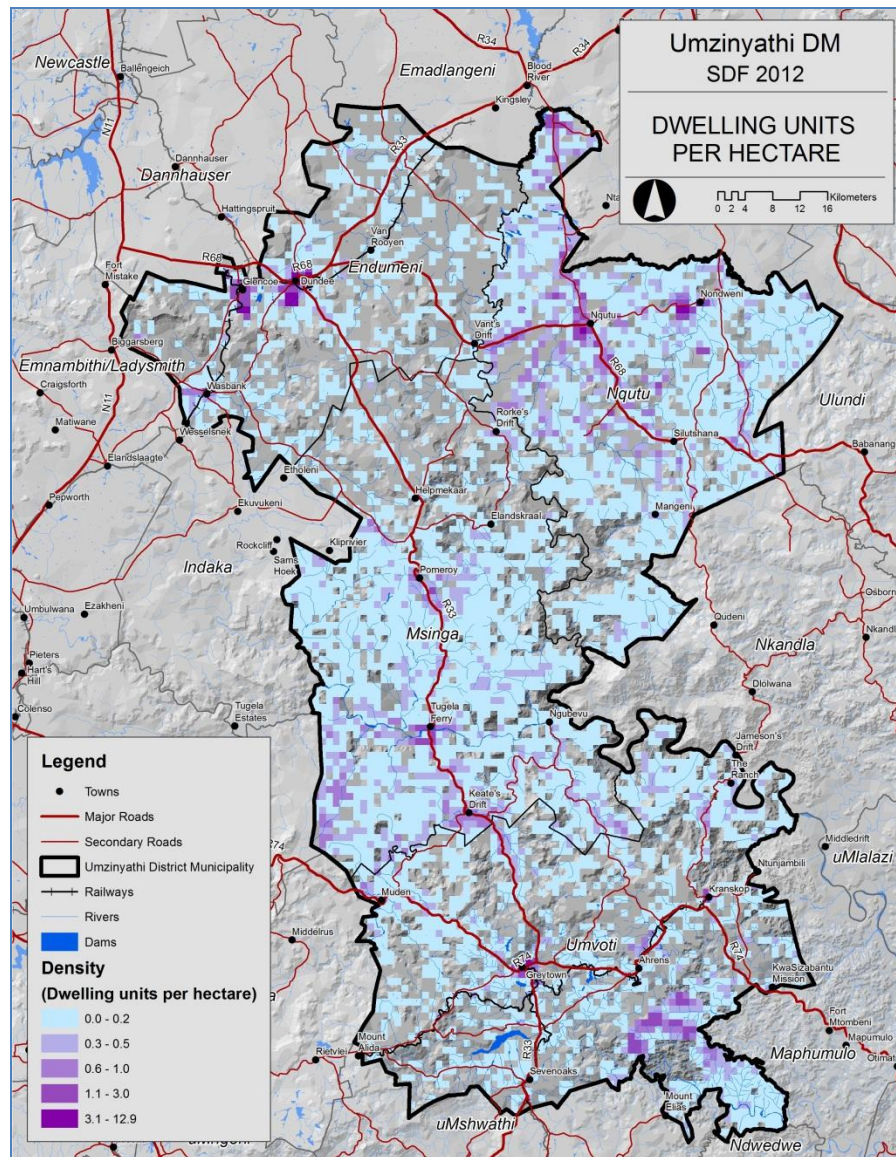
Density thresholds for community facilities

Land uses	Norm for provision	Density threshold walking (dwellings/ha)	Density threshold driving (dwellings/ha)
Community hall	1 per 20 000 people	1.667	0.017
Libraries	1 per 20 000 people	1.667	0.017
Clinics	1 per 10 000 people	0.835	0.005
Fire station	1 per 50 000 people	0.000	0.009
Ambulance station	1 per 50 000 people	0.000	0.042
Market/trading area	1 per 10 000 people	1.875	0.005

Post office	1	per 10 000 people	3.335	0.019
Public telephone	1	per 3 000 housing units	4.693	0.026
Post collection point	1	per 3 000 housing units	4.693	0.238
Police station	1	per 25 000 people	2.085	0.047
Day hospital	1	per 30 000 people	0.901	0.014
Hospice	1	per 50 000 people	1.500	0.024
Old age home	1	per 20 000 people	0.601	0.009
Children's homes	1	per 200 000 people	6.002	0.094
Community centre	1	per 10 000 people	3.335	0.042
Church	1	per 250 housing units	0.219	0.002
Crèche	1	per 5 000 people	1.667	0.009
Nursery school	1	per 2 000 people	1.500	0.014
Primary school	350	children per school	2.693	0.017
Secondary school	500	children per school	4.123	0.002
After school centre	1	1000 children	2.502	0.007

The average densities in Msinga are 0.13 persons per ha and in Nqutu it is 0.17 persons per ha. Accepting the near immobility of the local population, it implies that it will be near to impossible to sustain social services in the area without very careful planning and high levels of subsidization.

Map15: Households density (Dwellings per ha)



5. Access to service infrastructure

Since this SDF deals with district wide issues, Service delivery in the local municipalities will not be directly assessed. The emphasis is on regional services. This applies to both infrastructure and social or community service.

5.1 Service delivery policies

Basic infrastructure services covers water, sanitation, electricity and refuse removal services. UDM is responsible for water, sanitation, and solid waste disposal site. The LMs are responsible for electricity services where they have supply licenses while Eskom provides electricity in the remainder of the area. Refuse removal is a local function while UDM and the LMs share the responsibilities for municipal roads and storm water services. The rest of the roads in the municipal area are under the jurisdiction of the KZN Department of Transport.

5.2 Access to services

Access to services and specially the capacity of existing bulk services have a direct impact on the prospects for future development. The Council is currently in process of profiling the municipal area in terms of service access. All the policy documents and sector plans still quotes Community Survey 2007 or even the Census 2001. The Council does have access to Global Insight's regional Explorer database and the Quantec database. Both these databases do provide access to services figures that are statistically estimated and do not necessarily reflect the *de facto* situation.

5.3 Water and sanitation services

The UDM is the Water Services Authority and water services are provided through Uthukela Water (Pty) Ltd. The majority of these bulk services is in the tribal and consists of reticulated networks and boreholes. These boreholes provide either direct access to water from the boreholes or feed into reticulated systems. There are 2297 boreholes but 40.7% are currently not working. There are clearly areas where there are more dysfunctional boreholes than in other areas.

The following table shows the estimated position regarded reticulated water services.

Access to water services 2010

	More than basic (House of yard connection)		Basic (Yard tap within 200m)		Below basic (Any other)		Total	%
	Total	%	Total	%	Total	%		
Endumeni	11 097	79.1%	1 078	7.7%	1 855	13.2%	14 030	100.0%
Nqutu	5 406	15.8%	11 442	33.5%	17 318	50.7%	34 165	100.0%
Msinga	1 086	3.1%	4 510	13.1%	28 907	83.8%	34 503	100.0%
Umvoti	13 375	49.2%	3 720	13.7%	10 085	37.1%	27 180	100.0%
Umzinyathi	30 964	28.2%	20 749	18.9%	58 165	52.9%	109 879	100.0%

The extent of the number of households with water services below the basic norm is clear. An expansion of these services does have large financial implications and higher densities and a more spatially focused approach might be appropriate under the circumstances. The map shows the location of bulk water infrastructure in the municipal area.

The next table shows the profile for sanitation services in the municipal area. The extent of the backlogs in the rural or more traditional areas is clear. The low densities and extended nature of the service area makes onsite sanitation systems a necessity.

Service profile for sanitation 2010

	More than basic (Waterborne)		Basic (VIP)		Below basic (Any other)		Total	%
	Total	%	Total	%	Total	%		
Endumeni	11 340	80.83%	330	2.35%	2 360	16.82%	14 030	100.00%
Nqutu	3 404	9.96%	5 733	16.78%	25 028	73.26%	34 165	100.00%
Msinga	1 510	4.38%	2 409	6.98%	30 584	88.64%	34 503	100.00%
Umvoti	11 316	41.63%	1 408	5.18%	14 457	53.19%	27 180	100.00%
Umzinyathi	27 570	25.09%	9 880	8.99%	72 428	65.92%	109 879	100.00%

5.4 Solid waste disposal

Practically, solid waste disposal only takes place in major urban areas. There are currently five solid waste disposal sites in the Umzinyathi area. They are:

- Glencoe
- Greytown
- Nqutu
- The Peacevale area north of Dundee
- Sibongile site south of Dundee

These waste disposal sites services the following areas.

- Umvoti: Greytown, Enhlalakahle, Kranskop and Muden
- Msinga: Tugela Ferry and Pomeroy
- Nqutu: Nqutu and Nondweni
- Endumeni: Wasbank, Glencoe/Sithembele and Dundee/Sibongile.

The next table shows the extent of services and how accessible these services are in the different areas and highlights the lack of services in rural areas.

Access to refuse removal services 2010

	More than basic (Kerbside removal)		Basic (Communal facility)		Below basic (Any other)		Total	%
	Total	%	Total	%	Total	%		
Endumeni	10 744	27.4%	321	0.8%	28 095	71.7%	39 159	100.0%
Nqutu	3 443	22.4%	174	1.1%	11 771	76.5%	15 388	100.0%
Msinga	772	3.2%	290	1.2%	23 125	95.6%	24 187	100.0%
Umvoti	9 562	11.0%	482	0.6%	76 652	88.4%	86 695	100.0%
Umzinyathi	24 520	14.8%	1 266	0.8%	139 643	84.4%	165 429	100.0%

Access to electricity

The LMs and Eskom provide electricity throughout the area. The next area shows the extent of access to electricity services.

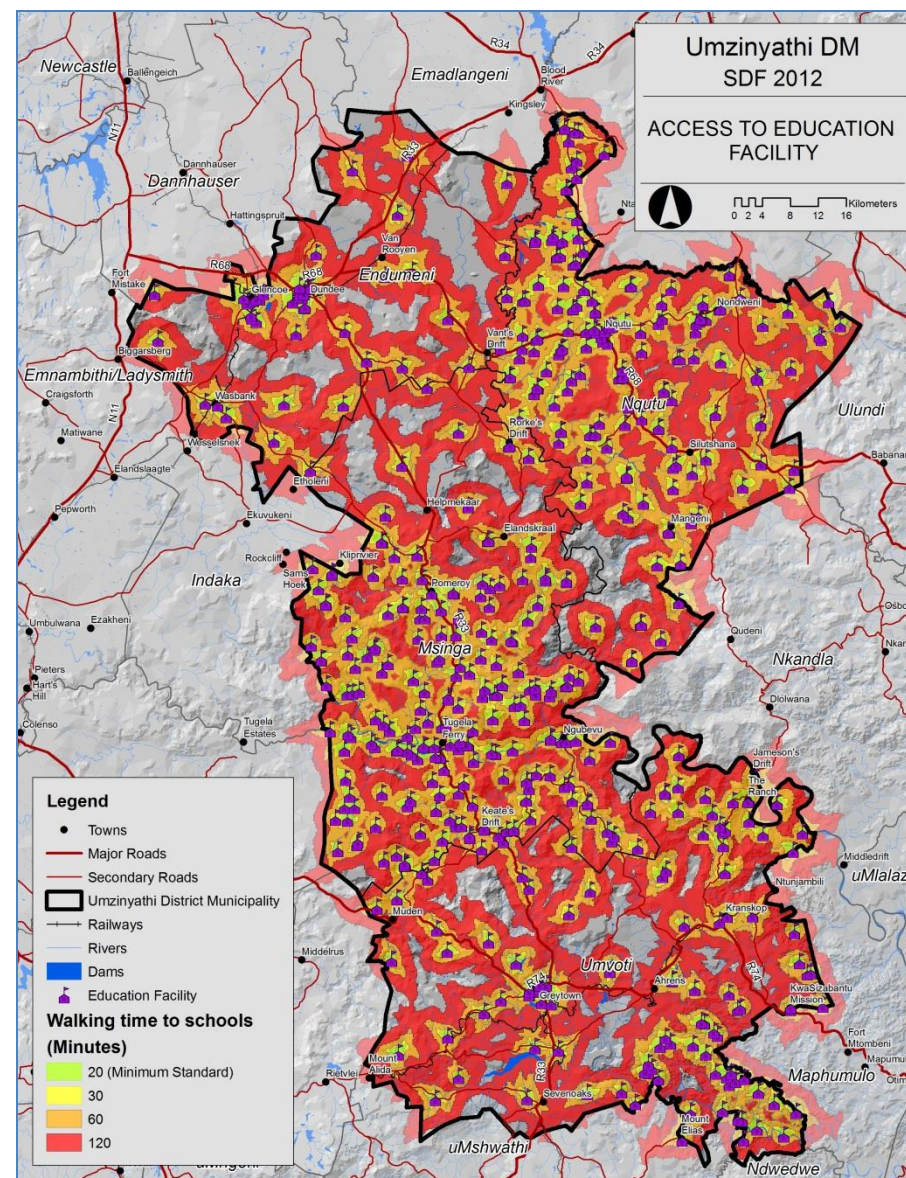
Access to electricity

	Basic and more (Electricity or solar connection)		Less than basic (No connection)		Total	%
	Total	%	Total	%		
Endumeni	11 203	79.8%	2 827	20.2%	14 030	100.0%
Nqutu	12 887	37.7%	21 278	62.3%	34 165	100.0%
Msinga	7 462	21.6%	27 040	78.4%	34 503	100.0%
Umvoti	13 298	48.9%	13 882	51.1%	27 180	100.0%
Umzinyathi	44 851	40.8%	65 028	59.2%	109 879	100.0%

5.5 General access to infrastructure services

General access to infrastructure services is poor. However, this allows for appropriate investment and delivery strategies. The key is to focus on existing nodal points and to encourage a higher intensity of development around these points and to actively discourage any development that amplifies and strengthen the dispersed nature of development beyond the absolute minimum basic services.

Map16: Access to education facilities



5.6 Access to social services

In an earlier section of this report, the importance of access and mobility as a vehicle for development was described. This specifically applies to a community's access to education, health care, and security services. In an area such as Umzinyathi, there are a number of issues to consider. Any facility operates on a certain threshold population (See Density thresholds for community facilities). This is the minimum population required to provide a viable service. Viability is not necessarily measured in only monetary terms but include elements such as the availability of the necessary infrastructure including building and basic services. For example, the threshold norm for a clinic is 10 000 people for one clinic. Given the extent of the area a clinic will have to serve, it is not possible to try and provide a service of the necessary quality based on the density of the area. This specifically applies to the rural areas. However, people still require such services.

The same issues apply to schools. The threshold for high schools is normally 750 learners and for a primary school 350 learners. With three primary schools feeding one high school. However, access to education services, given the general rural densities will be problematic.

5.7 Access to educational facilities

The maps show how schools are spread through the municipal area. There are nearly 530 schools in the municipal area.

Again, the sparsely populated western sector has very few schools. Most rural schools are on private land and linked to farming concerns. The next table shows the extent of access to schools. Since analysis has shown that 94% of rural people have to walk to where they want to be, access is measured in terms of persons within walking distance from schools. When the same parameters are applied in the urban context, the results are more acceptable and show generally good access to schools. The table below shows the average distance to schools in the municipal area. The difference between the different areas is a direct result of different settlement densities.

Time distance to schools (% of people)

Walking Time	Endumeni	Msinga	Nqutu	Umvoti	Grand Total
20 Minutes	79.6%	35.1%	43.6%	45.1%	46.0%
30 Minutes	6.6%	18.2%	15.5%	14.6%	15.0%
60 Minutes	7.7%	32.6%	26.4%	22.2%	25.0%
120 Minutes	4.9%	13.3%	13.9%	16.6%	13.1%
2 Hours +	1.2%	0.8%	0.6%	1.4%	0.9%
Grand Total	100.0%	100.0%	100.0%	100.0%	100.0%

One should note that this assessment is about the spatial distribution and access to facilities and does not assess the qualitative aspects of the education system.

5.8 Access to libraries

Libraries are an essential part of the educational system. There are six libraries in the municipal areas. They are:

- Wasbank Public Library
- Nondweni
- Dundee Public Library
- Nqutu Public Library
- Greytown Public Library
- Kranskop Library

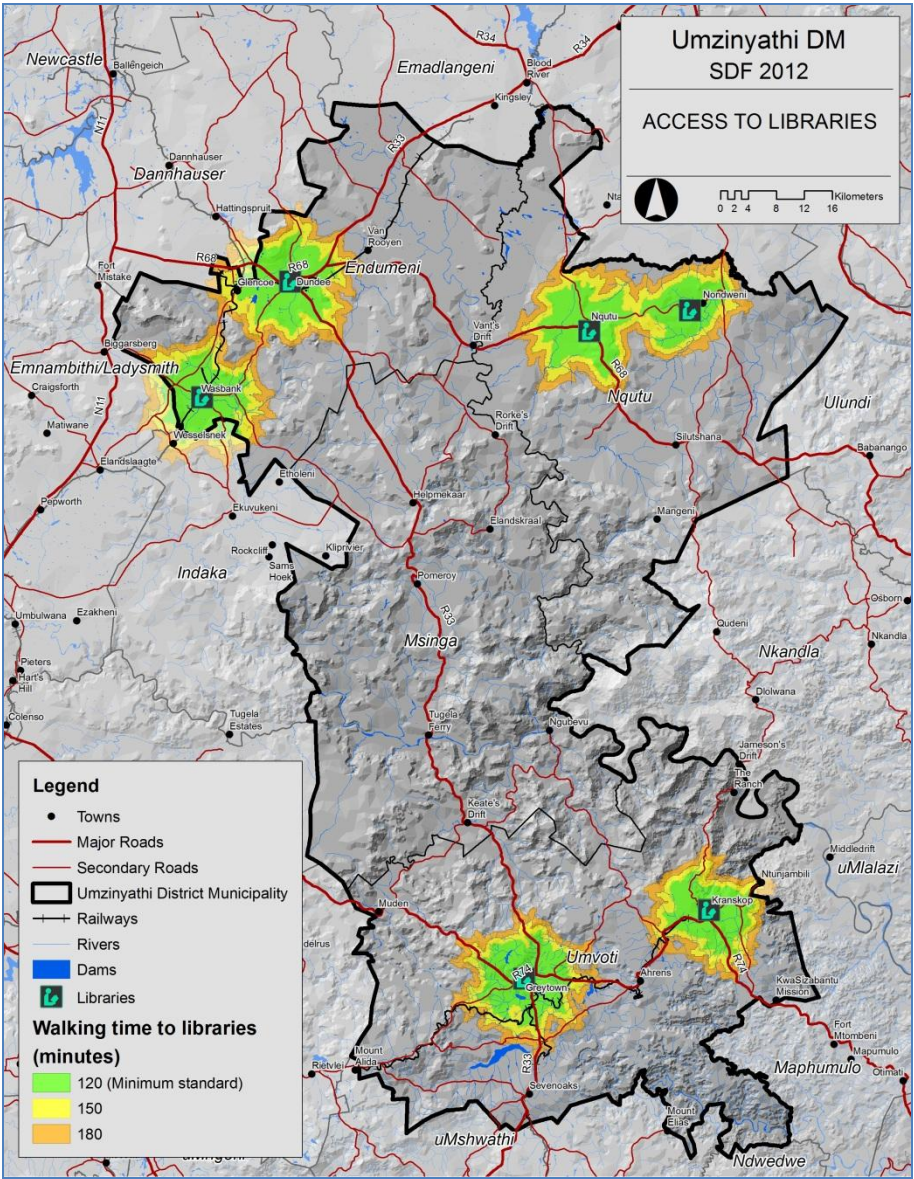
It is noticeable that smaller centres like Wasbank and Kranskop do have libraries. Accessibility is essential if a library should have any value to the community. The minimum accessibility standards for libraries are 120 minutes. Libraries are expensive and cannot be provided at a large scale across all communities. Accessibility in terms of percentage of households with access to libraries is shown in the next table.

Households with different walking times from a library (%)

	Endumeni	Msinga	Nqutu	Umvoti	Total
120 Min	67.1%	0.0%	29.5%	18.8%	22.4%
150 min	24.4%	0.0%	6.0%	1.8%	5.6%
180 Min	1.3%	0.0%	6.8%	1.9%	2.7%
180 Min +	7.2%	100.0%	57.8%	77.4%	69.3%
Grand Total	100.0%	100.0%	100.0%	100.0%	100.0%

The above section shows access to libraries is very localised.

Map 17: Access to libraries



5.9 Access to emergency services

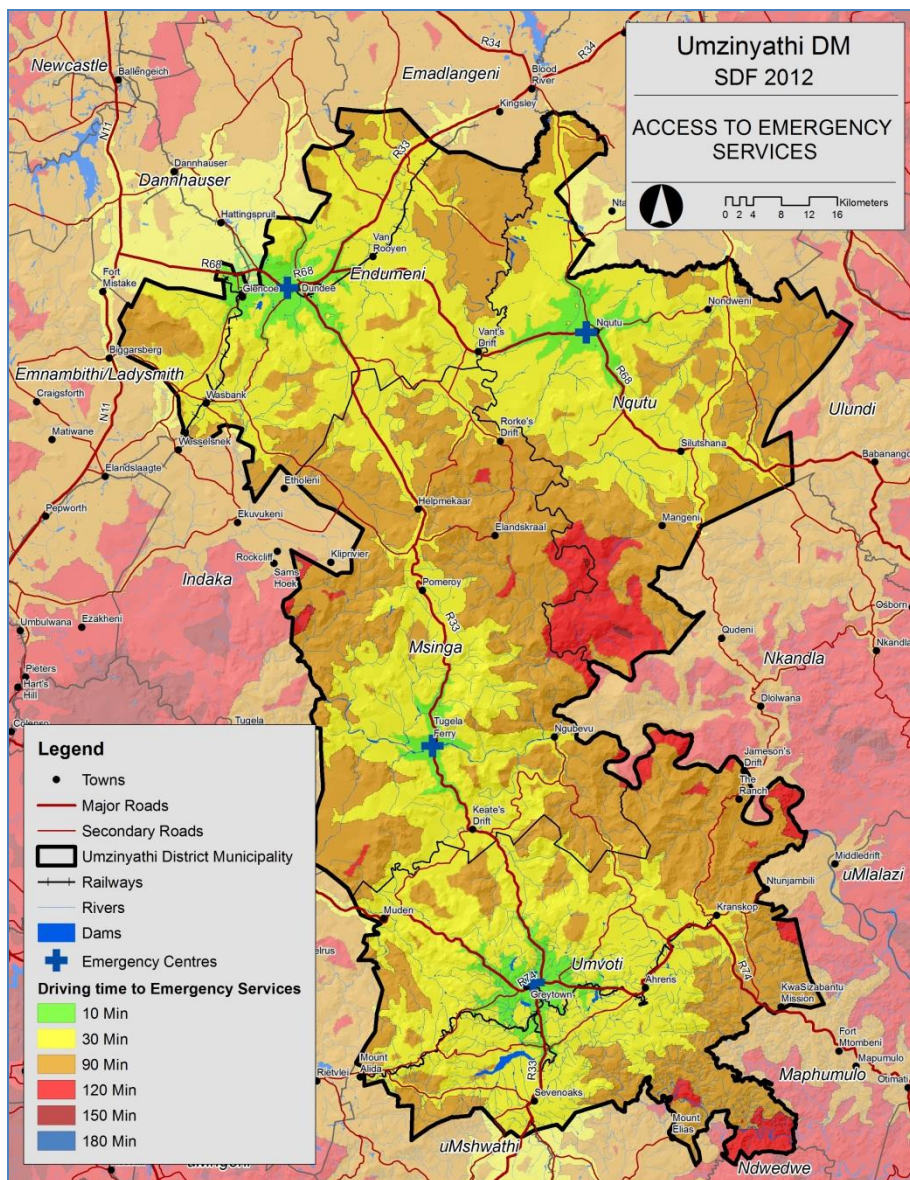
Emergency services play a very important role in safeguarding assets. Emergency services are essential for development because the availability of fire services impacts on insurance and the cost of investment for businesses. Providing emergency services is also part of the general health care and disaster management system in any municipal area. There are emergency service centres in the main towns of each of the four local municipalities. These services provide good coverage and all urban areas are well within the norm of a 10 minute response time. The larger part of the municipal area can be reached from these centres within the required 30 minutes. There are some rural areas, which is less accessible and do not meet the required norms and standards. However, these services are very expensive and costly to maintain and circumstances will have to be exceptional to justify an extension of the spatial footprint.

Households (%) reachable within drive time limits

Driving Time	Endumeni	Msinga	Nqutu	Umvoti	Grand Total
10 Min	84.5%	10.3%	25.0%	16.3%	26.3%
30 Min	13.0%	51.0%	55.4%	46.2%	46.2%
90 Min	2.4%	37.4%	17.1%	34.4%	25.6%
120 Min	0.0%	1.3%	2.5%	3.1%	1.9%
Grand Total	100.0%	100.0%	100.0%	100.0%	100.0%

Only Endumeni have acceptable access. Although the other centres do have these facilities, general accessibility remains low due to the very low densities in these areas and the dispersed nature of settlement.

Map18: Access to emergency services



5.10 Access to health facilities

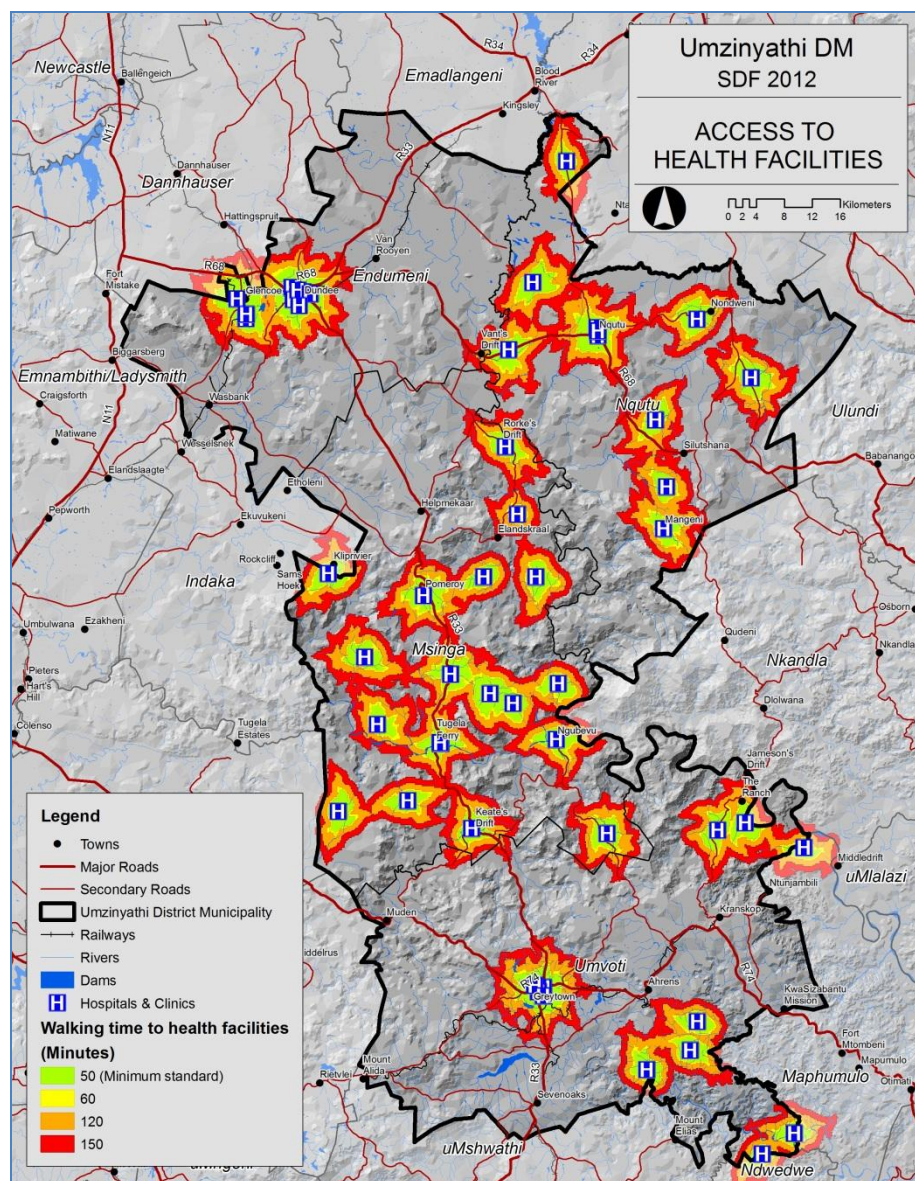
There are fewer health facilities in the municipality due to the higher threshold requirements for these types of facilities. Walking time was the assessment criteria and the same access issues and challenges do exist. Given the low growth rural environment it will not be possible to improve access through growth. The following section shows the average distances to health facilities in the municipal area.

Average time distance to health facilities (% of people)

Walking Time	Endumeni	Msinga	Nqutu	Umvoti	Grand Total
50 Minutes	81.7%	24.2%	25.2%	35.2%	34.7%
60 Minutes	0.4%	7.2%	4.1%	3.1%	4.4%
120 Minutes	1.7%	19.0%	15.8%	10.2%	13.8%
150 Minutes	3.0%	18.7%	18.8%	7.2%	14.1%
150 Minutes +	13.2%	30.9%	36.2%	44.2%	33.0%
Grand Total	100.0%	100.0%	100.0%	100.0%	100.0%

The impact on settlement densities is reflected in the different distances. Again, one should note that this assessment is about the spatial distribution and access to facilities and does not assess the qualitative aspects of the health care system.

Map 19: Access to health facilities



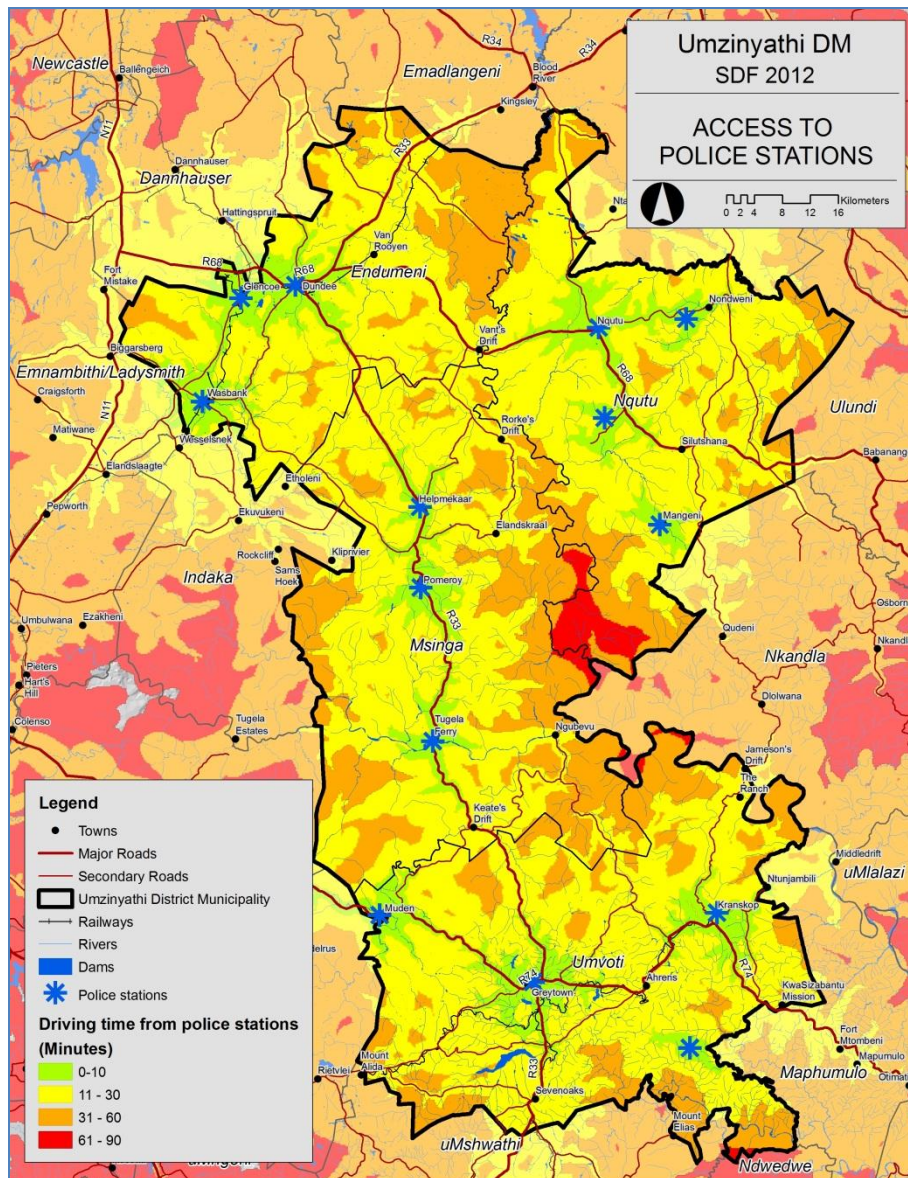
5.11 Access to police stations

Access to police stations was not assessed based on walking distance but rather on drive time from police stations. This assessment shows how long it will take the police to reach any point in the municipal area. It is important to note that police stations in neighbouring municipalities do play a role in Umzinyathi municipal area. The municipal area is however, very well covered by police stations with close to 90% of households reachable in 30 minutes.

Population within time distance from police stations

Driving Time	Endumeni	Msinga	Nqutu	Umvoti	Grand Total
10 Minutes	91.4%	19.0%	37.3%	36.8%	38.4%
30 Minutes	7.3%	60.5%	53.6%	51.9%	49.3%
60 Minutes	1.3%	20.2%	7.7%	11.2%	11.8%
90 Minutes	0.0%	0.3%	1.4%	0.1%	0.5%
Grand Total	100.0%	100.0%	100.0%	100.0%	100.0%

Map 20: Access to police stations



5.12 Other social services and community facilities

The previous sections dealt with key facilities in the municipal area and assessed the accessibility thereof. However, many other facilities complete the community fabric. The table below shows a list of such facilities and gives an indication of the controlling authority or institutions. It is important to note the role that non-governmental institutions play in meeting the needs for community services and facilities.

Other social services and community facilities²

	Controlling authority									Total
	Religious	Community	Government	Mosque	Municipality	Other	Postal Service	Private	Traditional Authority	
Admin Centre			34		11	2			20	67
District Court			5							5
Government			27			1			1	29
Municipal			1		11					12
Other						1				1
Pension pay point									1	1
Traditional									1	1
Traditional Court			1						17	18
Cemetery	9	15			13	1			10	48
Formal Cemetery	1				12	1				14
Informal Burial Site	8	15			1				10	34
Crèche			78			13		16		107
Combined			40			11		3		54
Daycare			19			1		10		30
Other			1			1		1		3
Pre-school			18					2		20
Church	281									281
Church	256									256
Mosque				2						2
Open/Natural	17									17
Other	2									2
Temple	4									4
Community hall	3	2	68	1	40				5	119
Community Hall	3	2	68	1	40				5	119
Postal service							73			73
Cluster Box							65			65
Post Office							8			8

	Controlling authority									Total
	Religious	Community	Government	Mosque	Municipality	Other	Postal Service	Private	Traditional Authority	
Prisons			4							4
Prison			4							4
Sport facility		35	105		43	8		24		215
Basketball Court					1					1
Cricket Field			1							1
Equestrian Field			1							1
Golf Course						1		2		3
Gymnasium			1							1
Hockey Field								1		1
Netball Court			2		1			2		5
Other		1			1			3		5
Park					1	1				2
Rugby field			1		1			2		4
School field			76					1		77
Show Ground					1					1
Soccer and Rugby Field								1		1
Soccer Field								1		1
Spin Gym						1				1
Sports field		34	15		32	3		5		86
Swimming Pool			5		1	1		2		9
Tennis Court			3		4	1		4		12
Grand Total	291	52	289	3	107	24	73	40	35	914

The list is only indicative of the main functions that facilities fulfill. There are however, a number of facilities that serve multi-purposes. For example, schools provide education, have sporting facilities, and provide community halls. In the same way, traditional courts serve as pension pay points when required.

When the distribution of these facilities is spatially assessed, it is clear that in the past they have tended to respond to settlement patterns rather than serving as the focal point for settlement. In this sense the provision of these facilities have contributed towards entrenching the low density dispersed settlement patterns in the municipal area.

6. Housing

The Housing Act of 1997 (Act 107 of 1997 defines “housing development” as:

1(vi) “... the establishment and maintenance of habitable, stable and sustainable public and private residential environments to ensure viable households and communities in areas allowing convenient access to economic opportunities, and to health, educational and social amenities in which all citizens and permanent residents of the Republic will, on a progressive basis, have access to:

(a) permanent residential structures with secure tenure, ensuring internal and external privacy and providing adequate protection against the elements; and

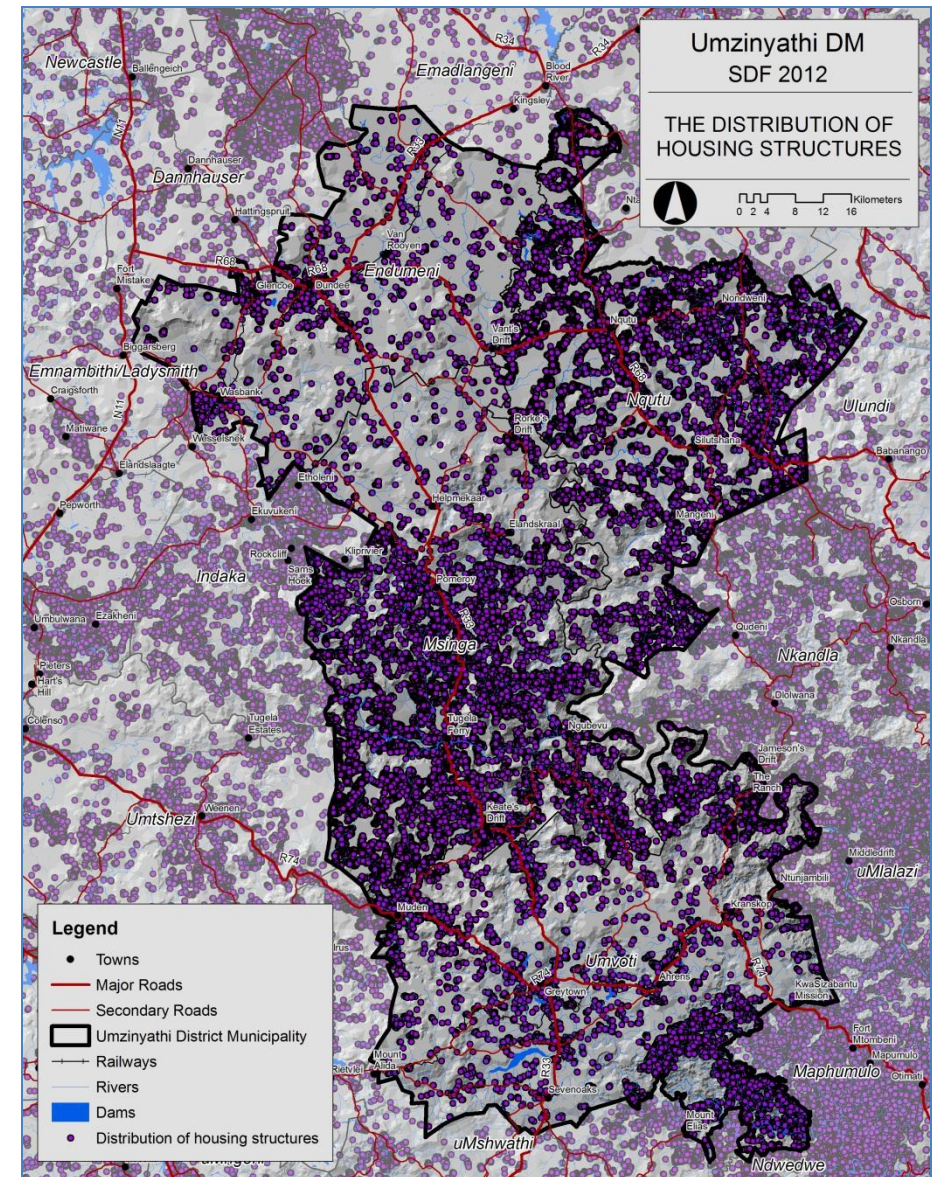
(b) potable water, adequate sanitary facilities and domestic energy supply.”

This definition links all the key elements in the urban environment. However, housing is not the focus of the SDF but housing remains one of the most important aspects in development.

6.1 The spatial aspects of housing

The distribution of housing across the municipality is important. The map shows the distribution of houses throughout Umzinyathi. The general low-density spread of settlement is very evident and the impact of topography on housing is noticeable. In this sense, mountain-ridges and river valleys are important settlement areas. The disperse nature of settlement make sustainable service delivery very difficult if not impossible in many areas.

Map 21: The distribution of housing structures

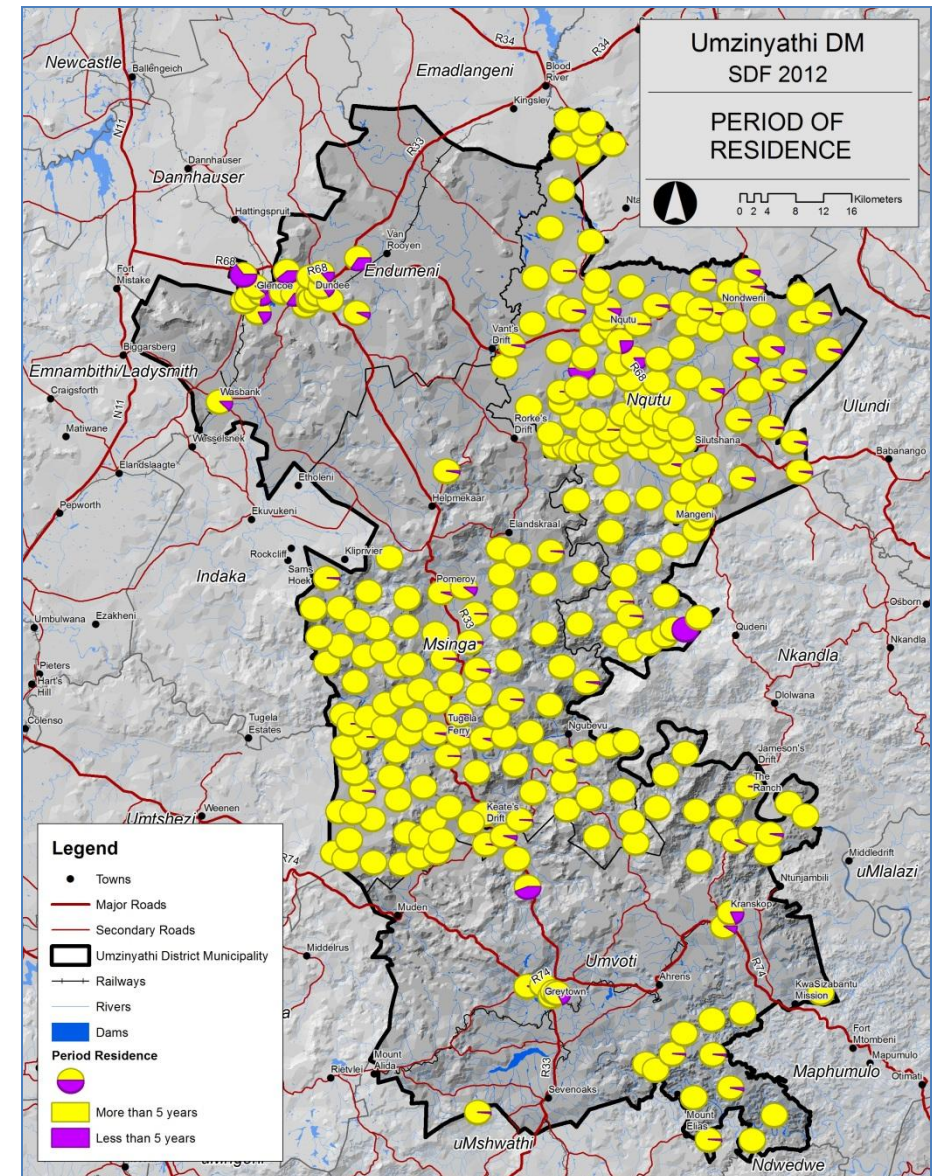


6.2 Period of residence

Period of residence is usually a good indication of migration and movement of people. The normal pattern is that the rural areas (farms and traditional) are very stable with little indications of movement while urban areas and especially the traditional lower income areas show high levels of changes. The next map confirms this lack of movement.

There are a few areas where new households are present. The Dundee-Glencoe complex shows some new households and there are a number of areas in the traditional areas where there where a very marginal influx of new people. There are however, many areas, which are very stable with no indication of any migration. This stability linked to the general immobility of people in the area aggravates situation of an area that stagnates and eventually, start to degenerate at a pace that will be difficult to turn around.

Map 22: Period of residence



6.3 Assessing change and growth

The previous section focused on the existing development environment from different perspectives. In order to move from the existing into proposals for future development it is important to understand growth and changes in the local demographic base and the economic environment. The purpose with this section is therefore to analyse the local population and households in order to do estimates of expected growth and changes and secondly, to assess the local economy in order to establish the sectors driving the economy and assess the extent and impact of economic change.

7. Population and household changes

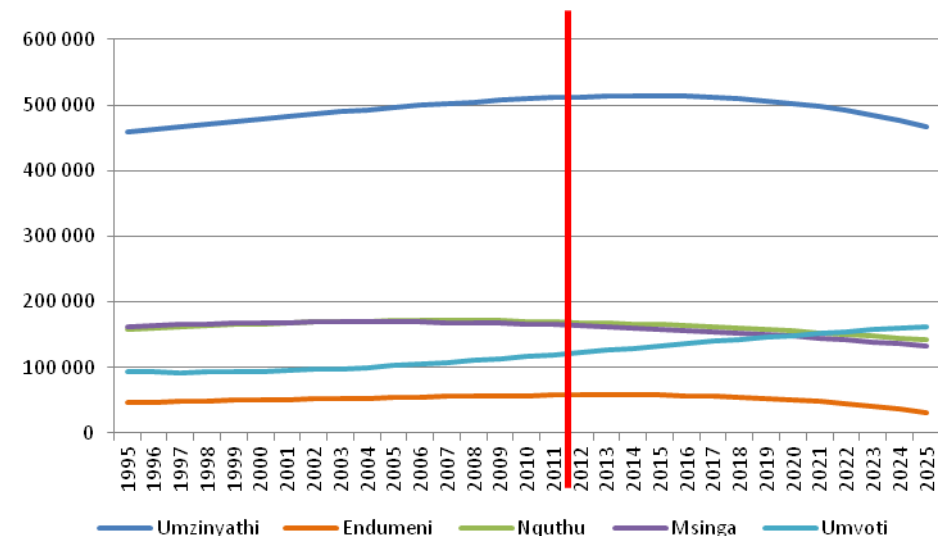
7.1 Population growth expectations

Population and household growth is one element that determines the long-term demand for goods and services. Based on historical population figures from 1995 to 2010, a trend analysis was done for each of the four municipalities. Curves were fitted to the data and were selected based on the best correlation coefficient that could be determined through the least squared method. The following polynomial expression were determined and used to project population figures up to 2015 for each of the municipalities.

Estimated and projected populations

	1995	2005	2 012	2 013	2 014	2 015	2 020	2 025
Endumeni	46 341	53 945	57 709	57 844	57 788	57 502	51 010	30 819
Nqutu	157 419	171 510	168 551	167 464	166 200	164 763	155 073	141 495
Msinga	162 697	169 691	163 483	162 040	160 434	158 665	147 394	132 132
Umvoti	91 979	102 226	122 780	126 082	129 416	132 760	148 856	161 871
Total	458 437	497 372	512 522	513 429	513 838	513 690	502 333	466 317

Figure 2: Population projection curves

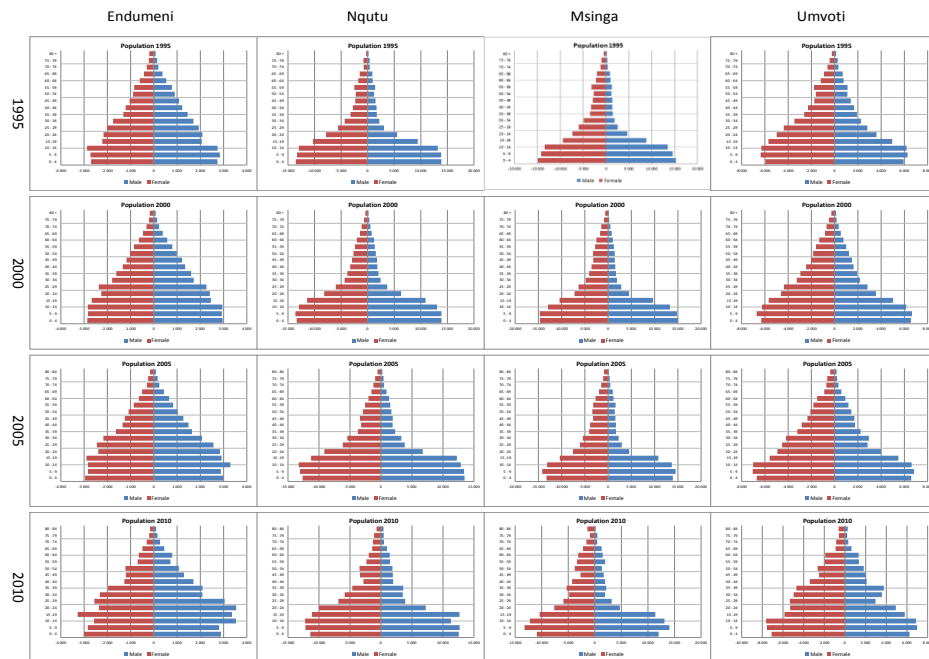


The following should be considered:

- There is a general and overall trend indicating that population numbers might decline over the next decade. However, over the past four years there are indications that the decline might have stabilized in Nqutu and Msinga. Indications are also that the population of Endumeni might start to decline within the next five years. However, the population of Umvoti will generally continue to increase. The population trends closely correlates with economic expectations as will be shown later in this section.
- The priority, policies, and decisions of the LMs and DM can also alter the situation. This cannot necessarily be predicted. For example, the fact that the councils actively promote the social investment is an impetus for migration in itself. Any event that deviate from the historical patterns, or which are not dictated by the processes of supply and demand, is difficult to discount in estimates of future growth and demand for services and land.

Population is not only about numbers. The structure of the population is equally important and gives insights into aspects such as economic activity, dependencies, future housing, and service demand. The figures below describe the profile of the population pyramids in five-year cohorts for the LMs in Umzinyathi over a period of 15 years.

Population structure 1991 to 2006



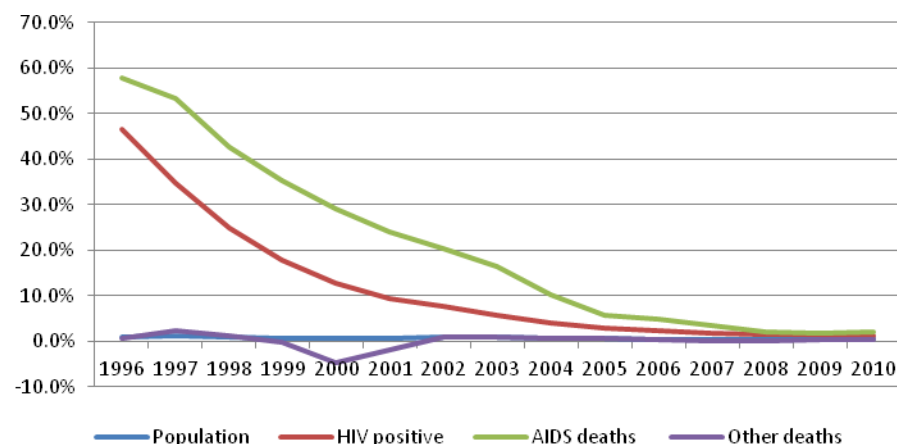
Source: Calculated from Quantec data

The general profile reflects a population structure with a large number of people below the age of 20. In these cohorts, male and female groups are more or less equally represented. Such a profile should be an indication of high growth levels and increased demand for infrastructure, housing, and services once these cohorts reach the age of household formation between the ages of 20 years and 64 years. However, the following are relevant:

- In all three LMs there was a clear decline in birth rates as reflected in the bottom cohort of 2010. This is more prevalent in Endumeni and Umvoti with the trend also emerging in Nqutu and Msinga.
- There is a clear increase in the number of males (blue bars) in Endumeni. The same happens to a lesser extent in Umvoti but in the case of Nqutu and Msinga there is a large scale out migration of economically active males. This points to entrenched migrant labour processes in Nqutu and Msinga. Out migration, that is, shedding males in the economic active categories between 20 and 64 years of age, is indicative of underperforming economic and an inability to absorb labour and hence high levels of poverty. From the cohorts above 65 years for males, it is also clear that these men do not return at retirement age but that they have left the area permanently. This might have serious social implications and would lead to increased dependency ratios in the remaining population.
- Given the declining birth rates and high levels of permanent male absenteeism, one should expect the population to decline over the long-term as shown in the preceding section.
- Indications are that Endumeni and Umvoti is to a certain extent busy absorbing males. The number of males to females in the economic active cohorts is increasing. This is however, not necessarily, an indication of improved or better economic conditions but might show an expectation of better economic opportunities in these areas rather than in Msinga and Nqutu. If the two economies cannot absorb these migrants it will increase local poverty levels, add to the social burden on the municipality and other social service providers.

HIV/AIDS do have far-reaching implications for population growth in the area. Not only does it affect the growth rate, it also affects the population structure of the area.

FChange in annual rates in HIV/AIDS related variables

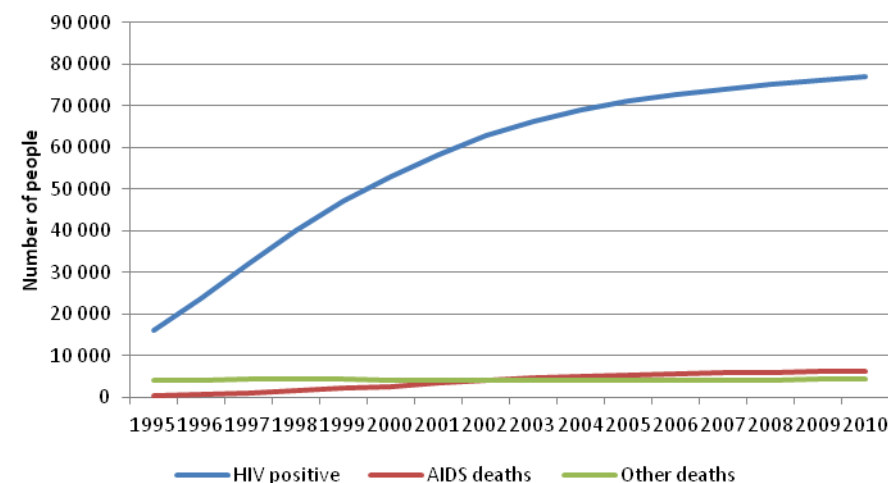


The graph shows the following for the UDM area:

- Population growth is very low and reached negative levels around 2007.
- The natural death rate remained more or less constant over the past decade and a half.
- The HIV/AIDS infection rate declined steeply as did the rate at which HIV/AIDS related deaths increased.

The real effect is shown in the next graph:

HIV positive persons, AID and other deaths



7.2 Households and household growth

Household growth was projected in the same way as population. The household growth expressions for each municipality, derived from the historical data, are shown in the table below.

Household growth expressions

	Growth expression	R-squared value
Endumeni	$y = -26.348x^2 + 717.16x + 9208.4$	0.9968
Nqutu	$y = -34.444x^2 + 1217.9x + 23228$	0.9975
Msinga	$y = -0.4398x^3 + 14.87x^2 + 239.18x + 21615$	0.9920
Umvoti	$y = -37.864x^2 + 932.57x + 28936$	0.9887

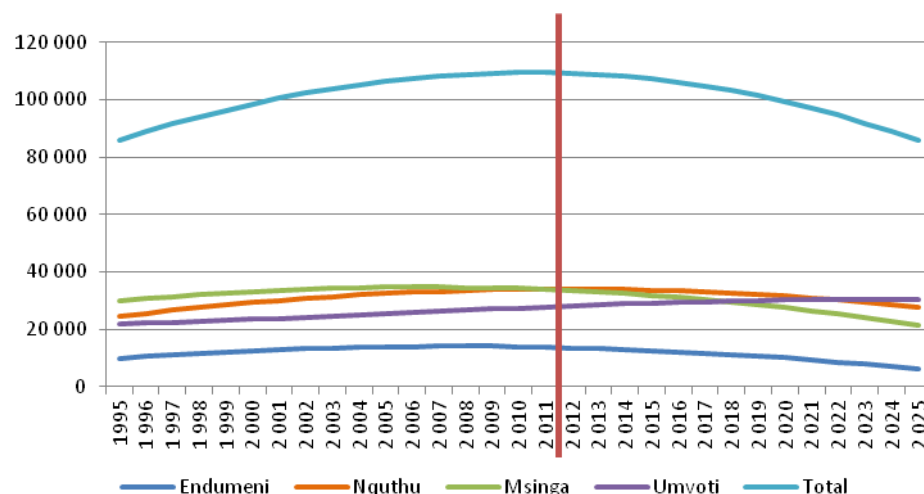
The next table shows the household projections based on the trend analysis.

Estimated and projected number of households

	1995	2005	2 012	2 013	2 014	2 015	2 020	2 025
Endumeni	9 899	13 909	13 581	13 323	13 012	12 649	10 043	6 120
Nqutu	24 411	32 457	33 990	33 934	33 808	33 614	31 609	27 882
Msinga	29 858	34 640	33 481	33 013	32 469	31 849	27 614	21 485
Umvoti	21 869	25 460	28 173	28 511	28 828	29 122	30 156	30 218
Total	86 037	106 466	109 225	108 780	108 118	107 235	99 422	85 705

The graph below shows the household growth profile for the municipalities since 1995 and projected to 2025

Household growth projections



7.3 Household size

Household size is an important indicator for the demand for services since the number of people in a household determines consumption demand for water, electricity, and waste disposal.

The estimates shown in the table below was derived from the population and households estimates in the previous sections. Household sizes are relatively high but it is not exceptional for a rural environment. All estimates show a small increase in household sizes. This is based on the assumption that there are no structural changes in the population. However, should the higher levels of migration in Umvoti, for example materialize, it might imply that they absorb more males, which are not necessarily attached to an existing household. This implies more single-person households, which might then lower the average household size. The increase is however material to any spatial planning.

Household size

	2 012	2 013	2 014	2 015	2 020	2 025
Endumeni	4.25	4.34	4.44	4.55	5.08	5.04
Nqutu	4.96	4.94	4.92	4.90	4.91	5.07
Msinga	4.88	4.91	4.94	4.98	5.34	6.15
Umvoti	4.36	4.42	4.49	4.56	4.94	5.36
Total	4.69	4.72	4.75	4.79	5.05	5.44

7.4 Urban and rural distribution of households

There is no data available to describe the current distribution of people in the area. Given the relative stability in the area and the low to negative growth prospects and the fact that there is no evidence of structural changes in the local demography, it is assumed that the position as reflected in Census 2001 is still valid. The following then applies:

Population per settlement type 2012

	Urban	Rural farm	Rural Traditional	Total
Endumeni	47 766	9 403	209	57 378
Nqutu	10 891	5 141	146 812	162 845
Msinga	1 505	2 075	185 087	188 667
Umvoti	18 684	23 504	61 445	103 633
Total per area	78 846	40 123	393 553	512 522

8. The general economic structure and changes in the municipal area

Irrespective of government policies, support strategies and interventions, it is the local economy and its linkages into the provincial and national or even international economy that will determine the pace and nature of future development.

8.1 The structure of local economy

Umzinyathi has a small economy. A small economy is usually also less diversified and exposed to higher risk levels. The change in the economic development path of the municipal area is reflected in the level of GVA generated per annum.

Structure of the local economy - GVA1995 to 2009 (R'million) in 2005 base year prices

	Agriculture	Mining	Manufacturing	Utilities	Construction	Trade	Logistics	Business services	Community services	Government
1995	501	77	458	54	69	468	235	305	240	716
1996	571	111	447	58	70	476	233	330	245	738
1997	555	117	438	59	76	476	234	348	244	715
1998	541	120	398	54	69	475	230	356	258	724
1999	513	90	380	54	67	505	225	386	268	696
2000	520	90	403	58	71	543	229	395	282	692
2001	510	87	418	61	98	583	232	423	289	696
2002	533	82	452	68	80	595	255	448	299	698
2003	559	96	480	65	87	618	281	478	319	714
2004	563	106	537	76	98	650	305	513	326	723
2005	533	105	618	89	117	697	341	570	342	759
2006	539	108	722	100	131	750	379	632	366	787
2007	569	123	835	116	156	798	426	704	394	825
2008	633	125	946	127	178	812	464	783	413	867
2009	627	168	939	140	193	792	486	801	431	907
Ave growth	1.8%	8.4%	7.5%	11.5%	12.7%	4.9%	7.6%	11.6%	5.7%	1.9%

The biggest contributors to the local economy is government (17%) and manufacturing (17%) They are followed by business services (15%), trade (14%), and then agriculture (11%). The weakest sectors are utilities, construction, and mining. One should note that community services only constitute 8% of GVA if government is reported separately. These two categories are usually lumped together. The aspects are significant in this regard.

Firstly, 25% of the total economy is focused on community and government services but, secondly, only a third of this is directed at community service delivery and two thirds goes towards sustaining government as institution. Logistics that includes the transport sector is very weak. This can only emphasise the immobility of the local population. This might be a combination of no need to travel and an inability to afford the cost of travelling. Immobility needs to be overcome if any development objectives need to be achieved.

8.2 The drivers of the local economy

Priority investment should support those economic sectors that drive local development and those sectors that it supports. The basis for finding the economic drivers in the municipality is a basic/non-basic analysis.³ As the next table shows, The DM and LMs are, when compared to the national economy, strong in agriculture, community and government services. Umvoti shows a comparative advantage in manufacturing but not in government services. Endumeni and Msinga shows construction as a basic service but this sector is particularly weak in Nqutu and Umvoti. The same applies to logistics. The reason for this is not clear. Nqutu is strong in trade while the other areas are marginally weaker.

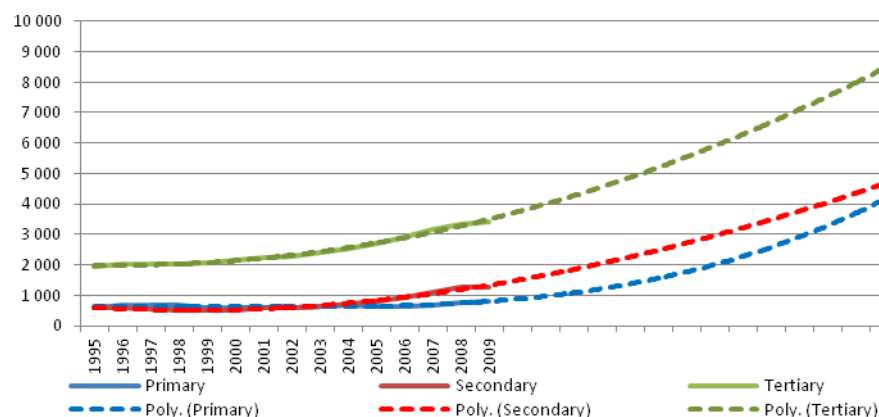
Basic/Non-basic ration measured at national level

	Agriculture	Mining	Manufacturing	Utilities	Construction	Trade	Logistics	Business services	Community services	Government
Kwazulu-Natal	0.86	0.15	1.20	0.61	1.10	1.01	1.24	0.93	1.10	0.99
Umzinyathi	1.93	0.23	0.91	0.58	1.01	0.95	0.87	0.51	1.29	1.23
Endumeni	1.49	0.45	0.85	0.99	1.68	0.87	1.00	0.46	1.09	1.49
Nqutu	1.47	0.20	0.71	0.12	0.55	1.22	0.70	0.52	1.12	1.62
Msinga	1.40	0.07	0.81	0.31	1.76	0.79	1.40	0.39	1.34	1.45
Umvoti	2.57	0.15	1.05	0.57	0.46	0.98	0.65	0.59	1.45	0.84

8.3 Expected change in the local economy

In paragraph 0 the structure and history of GVA was assessed. The figure below shows the projected changes in GVA per sector. The projected trends are based on historical data. The projections remain valid if the current economic structures, market conditions, and production factor mixes remain intact. Any structural changes, changes economic markets, locally and globally, and intervention strategies by government can result in different outcomes.

Umzinyathi Projected changes in GVA per sector – GVA1995 to 2025 (R'million) in 2005 base year prices



When the total district economy is assessed it shows overall good growth in all sectors. The tertiary sector is expected to grow strongly while the primary sector shows equally strong growth prospects. Although the secondary sector also grow well it is not at the same rate as the other two sectors.

The following should be noted:

- All sectors are growing which is exceptional. The overall growth rate for Umzinyathi over the past decade and a half was 5.2%, which is substantially higher than the national average of 4.1% per annum.
- Many of the growth tendencies can be linked back to government investment and its role in the local economy. It includes the construction sector, community services, and obviously government. One should question the sustainability of an economy largely dependent on government. There might be inherent long-term risks involved.

The projected changes will result in a relatively high growth rate. This naturally subjected to economic cycles. However, it reflects an inherent potential in the economy to grow although growth is currently declining and low in the current downward cycle of the national and internal economy.

8.4 Employment and job creation

The last aspect that needs to be assessed in terms of economic development is employment. Employment is a priority for the Council and it is obvious that development and growth strategies will have to support job creation.

The map shows the distribution and sector composition of employment in the municipal area. Community and government services dominate the employment base. This is understandable in the light of government's efforts to improve access to services in these areas. Employment in the urban area clearly shows a stronger mix due to bigger economic mix of services and activities. The worrying aspects are that the primary sector is so small in a predominantly agricultural region.

The table below shows the employment per sector. The structure of employment and the extent of the link between employment and the level of economic activity are important.

Employment per sector (2009)

	Agriculture	Mining	Manufacturing	Utilities	Construction	Trade	Logistics	Business services	Community services	Government	Total
Umzinyathi	6 741	494	5 725	157	3 225	11 413	2 162	4 484	10 695	9 770	54 867
Endumeni	1 434	269	1 465	74	1 470	2 839	683	1 097	2 487	3 246	15 064
Nqutu	764	64	670	5	263	2 171	260	673	1 385	1 926	8 181
Msinga	757	25	790	13	871	1 454	540	533	1 726	1 791	8 501
Umvoti	3 787	137	2 800	65	620	4 949	679	2 181	5 097	2 806	23 122

Employment distribution per sector

Industry	Agriculture	Mining	Manufacturing	Utilities	Construction	Trade	Logistics	Business services	Community services	Government	Total
South Africa	6.4%	4.0%	11.5%	0.5%	5.8%	21.8%	4.5%	15.9%	15.2%	14.5%	100.0%
Kwazulu-Natal	5.5%	0.6%	13.8%	0.3%	6.4%	22.0%	5.6%	14.8%	16.7%	14.4%	100.0%
Umzinyathi	12.3%	0.9%	10.4%	0.3%	5.9%	20.8%	3.9%	8.2%	19.5%	17.8%	100.0%
Endumeni	9.5%	1.8%	9.7%	0.5%	9.8%	18.8%	4.5%	7.3%	16.5%	21.5%	100.0%
Nqutu	9.3%	0.8%	8.2%	0.1%	3.2%	26.5%	3.2%	8.2%	16.9%	23.5%	100.0%
Msinga	8.9%	0.3%	9.3%	0.2%	10.3%	17.1%	6.4%	6.3%	20.3%	21.1%	100.0%
Umvoti	16.4%	0.6%	12.1%	0.3%	2.7%	21.4%	2.9%	9.4%	22.0%	12.1%	100.0%

The strongest job creator is retail and wholesale trade that contributes 20.8% of all job opportunities. Second are community services and government which together accounts for more than 37% of all jobs in the municipal area. Agriculture and manufacturing is significant with the rest of the sector contributing to a lesser extent.

8.5 Sector changes and growth prospects

The process up to now has addressed the external legislative and policy environment, the status and extent of the existing development environment and the most important changes and the expected impact of

the demographic and economic environments. The purpose of this section is to address the key development sectors in the municipal area. They are:

- Agriculture,
- Tourism and conservation,
- Settlement and urban dynamics.

8.6 Agriculture

Many of the issues and factors addressed in the previous sections underpin agricultural development in the municipality. Where the previous sections dealt with the biophysical factors, socio-demographic profiles, access to infrastructure and the demographic and economy of the municipality, this section deal more specifically with potential for agriculture and development created through the integration of all these factors.

8.7 Land capability

Overall, agricultural potential is a combination of many factors. It gives an indication of the type of activity that is most suited in a particular area and the capability of the land. Land capability is determined mainly by the collective effects of soil and terrain features and climate. However, there may be circumstances in which the planner would first attempt to rate soil capability as such before considering the influence of climate on the use of the land. This aspect was dealt with in the previous section on soil potential. In the process of assessing the potential of the use, the current limitations of the land were considered. However, it might be possible to overcome some of the limitations through, for example, fertilization or liming.

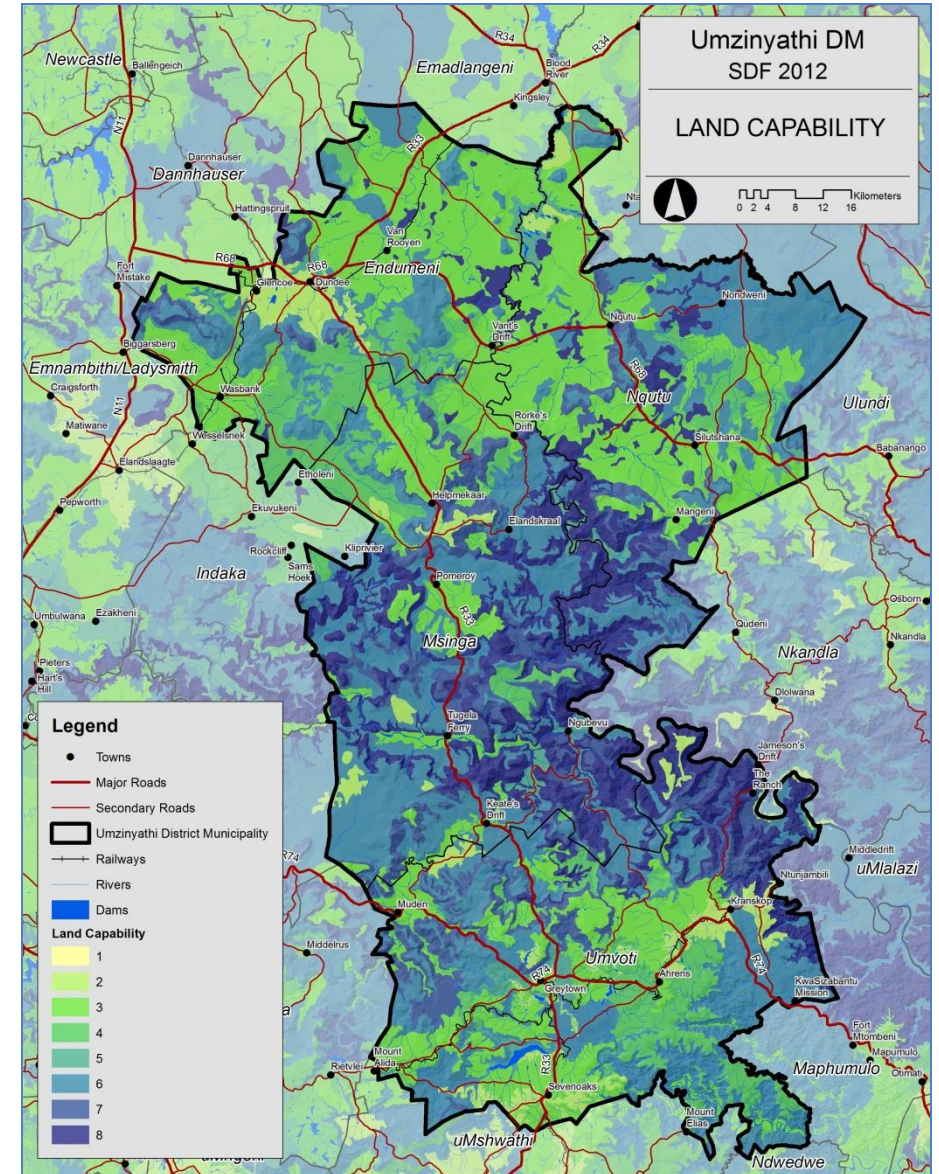
The capability classification system used in this section for analysis purposes was applied to rain fed agriculture and excludes any form of irrigation. Economic considerations such as proximity to markets and capital resources of the farmer are not criteria for land capability. The land suitability is presented in a hierarchy ranging from land with few limitations on its use starting with crop production through a range of other less intensive uses such as pasture, natural grazing, forestry, and wildlife. Land suitability is linked to good farm management practices.

Land capability classes and intensity of use

Land capability class	Land use options									Land capability groups	Legend
I	W	F	LG	MG	IG	LC	MC	IC	VIC	Arable land	VIC Very intensive cultivation
II	W	F	LG	MG	IG	LC	MC	IC			IC Intensive cultivation
III	W	F	LG	MG	IG	LC	MC				MC Moderate cultivation
IV	W	F	LG	MG	IG	LC					IG Intensive grazing
V	W	F	LG	MG	IG					Grazing	MG Moderate grazing
VI	W	F	LG	MG							LG Light grazing
VII	W	F	LG								F Forestry
VIII	W									Wildlife	W Wildlife

The next maps show the land capability classes in UDM. There is no land in Class I but the northern plateau areas are generally suitable as arable land except, where topography and drainage strict cultivation practices. The central parts, south of Helpmekaar, Rorke's Drift and Mangeni down to line define by Muden, Keate's Drift and Kranskop are generally only suitable for grazing and forestry. Topography plays the determining role in this regard although there are islands of higher capability in the area. Although this area is suitable for grazing, it is also very susceptible to erosion. Agricultural and land management practices are critical for sustainable farming.

Map 23: Land capability



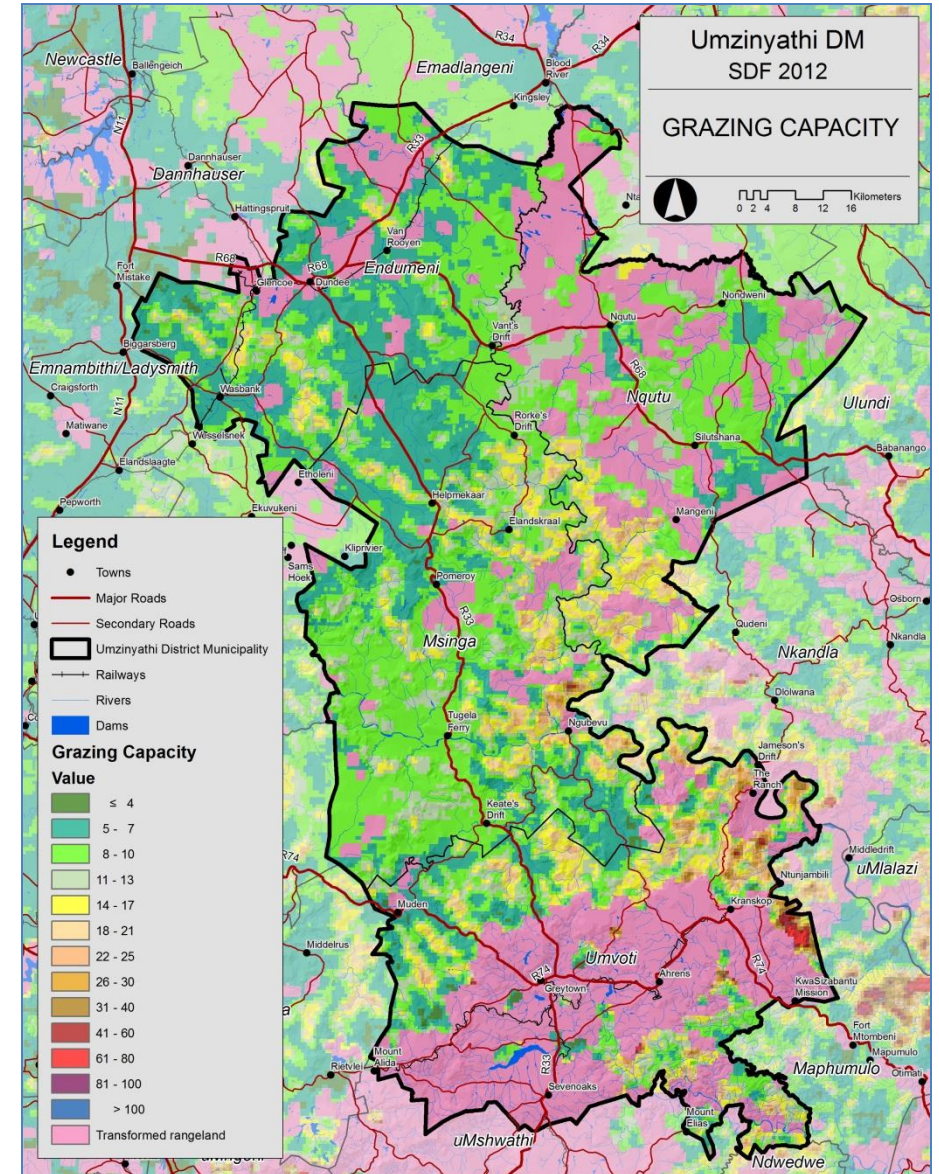
8.8 Irrigated land

There is limited cultivation under irrigation in the northern parts of UDM. The main irrigation areas are around Mudén, south of Seven Oaks and Kranskop. Sugar cane is the main crop cultivated under irrigation although vegetables are also cultivated in the Mudén area. Areas that should have potential along the Tugela River are not commercially utilised.

8.9 Grazing capacity

The grazing capacity of the area is expressed in terms of animal units. One Animal Units (AU) is equivalent to a 450kg cow. The map below shows the grazing capacity in the municipal area. As one can expect it confirms the land capability assessment. The general grazing capacity in the UDM area is very low and it is only in a few areas in the mountainous parts where the grazing capacity is between 14 and 17 AU. In the rest of the area, not classified as transformed rangeland, the grazing capacity is below 10 AU per hectare.

Map 24: Grazing capacity (Hectare per animal unit)

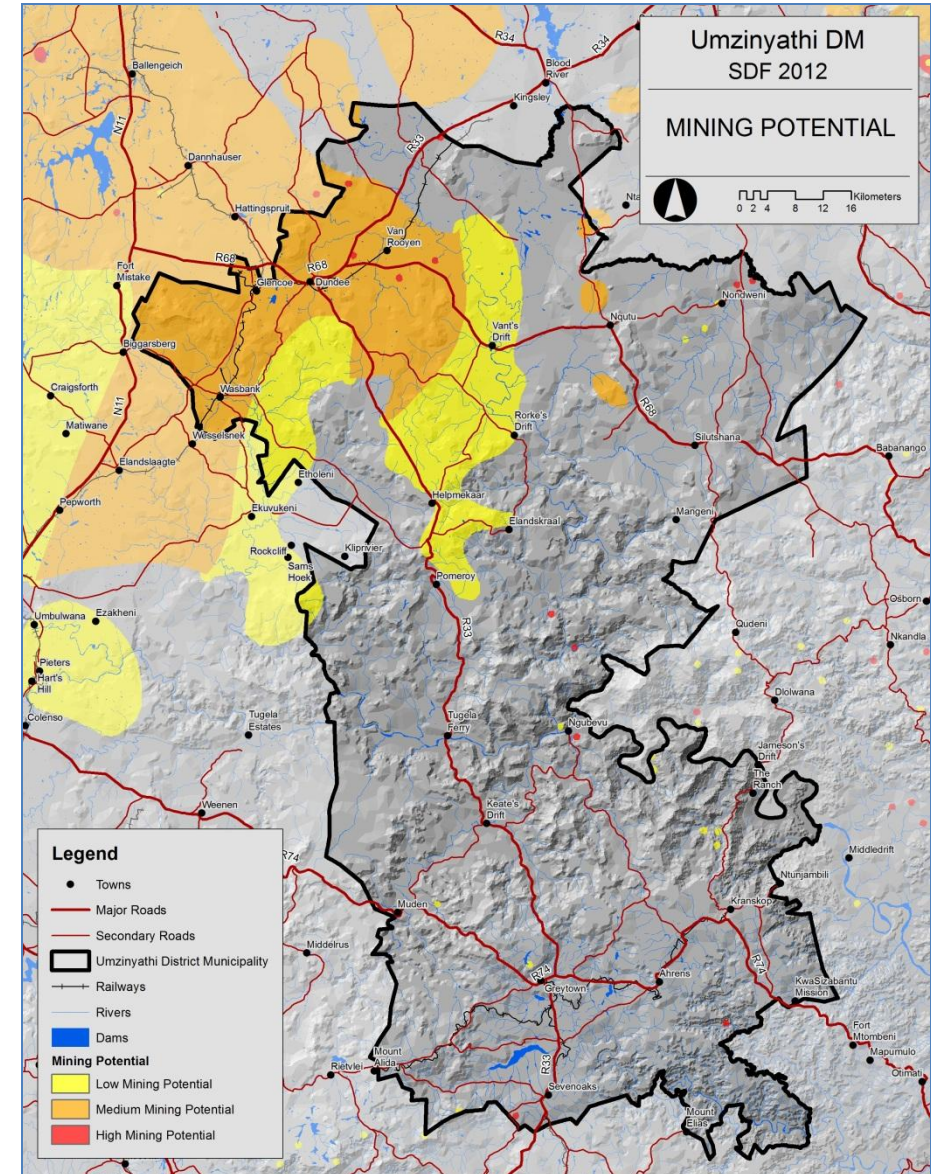


9. Mining

The area around Glencoe and Dundee has a long mining history. Mining was the reason for the establishment of Dundee in the 19th century. Mining played an important role in the local economy until the mid eighties when most of the mines closed. There are currently only one active mine in the area although mining continues north of UDM in the Dannhauser and Newcastle areas.

Mining is one of the weakest sectors in the local economy but as the map indicates, there are still substantial reserves of medium mining potential around Glencoe and Dundee. There are currently prospects of increasing mining activities but long-term demand for coal might prove otherwise.

Map 25: Mining potential



9.1 Tourism and conservation

Tourism and conservation plays an important role in the area. The key to tourism is the Battlefields area that forms part of broader cultural historical system in central KZN. The assessment of the area has shown some unique environmental features but environmental related tourism and formal conservation initiatives seem to be minimal.

9.2 Conservation and protected areas

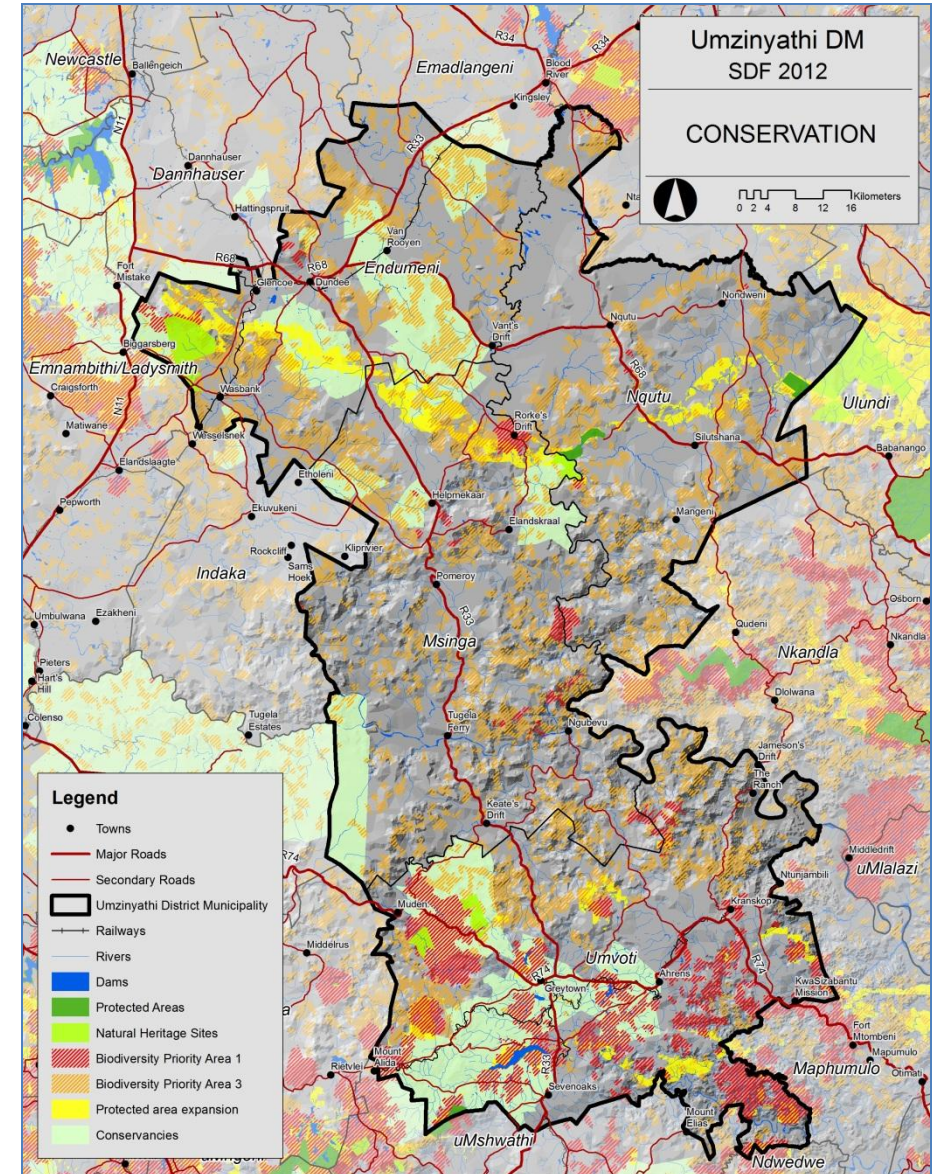
Conservation in South Africa is managed through a system of protect areas as set out in the National Environmental Management Act, No. 107 van 1998 and the National Environmental Management: Protected Areas Act 57 of 2003. In terms of these acts, the system of protected areas in South Africa consists of the following kinds of protected areas:

- special nature reserves, nature reserves (including wilderness areas) and
- world heritage sites;
- specially protected forest areas, forest nature reserves and forest wilderness areas declared in terms of the National Forests Act, 1998 (Act No. 84 of 1998); and
- mountain catchment areas declared in terms of the Mountain Catchment Areas Act, 1970 (Act No. 63 of 1970).

There are only five protected areas in the UDM. They are:

- The Intinini Field Training Centre east of Nqutu on the municipal boundary. This centre provides training for KZN game rangers.
- The Islandwana Nature Reserve, which also borders the Fugitives Drift Nature Reserve. Both these reserves are undeveloped and play no significant role in tourism.
- The Umvoti Vlei Nature Reserve, which protect a wetland south of Greytown and further south the Blinkwater Nature Reserve that covers a substantial indigenous forest area.

Map 26 Conservation status



It is not clear if any of these protected areas play any positive role in tourism or conservation in the larger UDM area. The Ezemvelo conservation plans indicate only three protected areas. However, there are large areas covered by conservancies in Endumeni and Umvoti. These mainly private initiatives play a very important role in conservation. They also form the basis for eco-tourism.

There is a range of biodiversity priority areas in the district. The map below shows a number of BPA 1 areas. BPA 1 areas designated planning units contain one or more features which are irreplaceable. This means that there are no other localities available to meet the conservation target for this feature(s). The distribution of this/these features is not always applicable to the entire extent of the area identified, however (except in the case of certain grassland vegetation types), but is more often than not confined to a specific niche habitat e.g. a forest or wetland. If special mitigation measures are put in place, the development (dependent on its nature) could be permitted. There are no fixed guidelines and each development should be assessed on its own merits.

The last significant feature is the protected area expansion areas that are proposed. These areas aim at developing conservation corridors but it is not clear how and to what extent they are to be implemented and brought under the control of NEMA

9.3 Tourism and conservation

Tourism development in Umzinyathi is focused on the Battlefields route, heritage, and cultural tours and to a limited extent on the scenery and biodiversity of the area. There are a number of tourist facilities in the area. A number of observations can be made regarding tourism facilities.

- Tourism facilities are largely private sector driven. Historical sites and museums are mostly linked to the so-called battlefield tourism.
- Mission stations are strictly not a “tourist facility” but they all have historical significance that might be capitalized on.
- The bulk of the facilities, such as recreation” have a local function rather than attracting tourists from outside the area.

The concentration of tourism facilities is mainly around Greytown and Dundee, and it is estimated that 75% of visitors to the battlefield sites are

domestic tourists.

The Council's SEA refers to the district tourism study that lists the following pressures on the tourism sector:

- General poor infrastructure in terms of roads and basic services
- Land claims and land tenure issues prohibits investments in the sector
- The area is far from the main airports and target markets such as Durban and Johannesburg.
- The negative reputation of the areas in terms of crime drives tourists away from the area.

10. Settlement and urban development

As stated earlier in this report development is about access to resources and opportunities. The approach in the assessment of settlements and urban development in the municipal area is therefore to assess the settlement of people against the background of access to available resources and amenities. In terms of planning and strategy it implies enhancing access by either bringing resources or opportunities to people or otherwise, to bring people closer to opportunities and resources.

Where the solution is to bring resources and amenities to the people it implies that there must be a sufficient base to sustain these services by meeting at least the threshold populations in the service area of an amenity. On the other hand should people come to the resources and amenities it implies that there must be sufficient levels of mobility to allow people to access these resources and opportunities. Both these options and even a combination of the two seem to be a huge challenge in the UDM area.

10.1 Settlement patterns and dynamics

In order to facilitate assessment and to determine options for assessing or establishing settlement, concentrations were determined throughout the municipal area. Eighteen settlement focus points or areas of significance were identified mainly in terms of their general density characteristics and functions. There are areas also included which lie adjacent but immediately outside the municipal area that might have an impact on service delivery and development in the municipal area.

There are 13 significant settlement focus points within the UDM area. These settlement points are assessed below in terms of their significance for development in the broader UDM area. Some focus areas play an important role in local development but not necessary at a district scale. The settlement focus areas considered are:

- Settlement focus area 1-Dundee Glencoe urban complex
- Settlement focus area 2 – Nqutu
- Settlement focus area 3 – Tugela Ferry
- Settlement focus area 4 – Greytown
- Settlement focus area 5 – Wasbank
- Settlement focus area 6 – Nondweni
- Settlement focus area 7 – Pomeroy
- Settlement focus area 8 - Keate's Drift
- Settlement focus area 9 – Muden
- Settlement focus area 10 – Seven Oaks
- Settlement focus area 11 – Hermansburg-Ahrens
- Settlement focus area 12 – Kranskop
- Settlement focus area 13 - The Nkombelwe area

- Settlement focus area 14 –Emondlo settlement next to northern extension of Nqutu
- Settlement focus area 15 –Enclave south of Glencoe
- Settlement focus area 16: Rural settlement east of Kranskop in Nkandla
- Settlement area 17: Extended rural settlement southeast of Umvoti

Umzinyathi DM
SDF 2012

SETTLEMENT FOCUS AREAS

Legend

- Towns
- Umzinyathi District Municipality
- Functional Boundaries
- Primary links
- Secondary links
- Tertiary links
- Settlement complex
- Settlement cores
- Settlement areas
- Settlement points
- Major Roads
- Secondary Roads
- Railways
- Rivers

Scale: 0 2 4 8 12 16 Kilometers

Facility densities and accessibility per node

The purpose with the SDF is to optimise access to facilities and minimise cost in sustaining service delivery. The previous sections identified settlement focus areas in terms of population concentrations and general locations. However, the presence of a large number of households does not necessarily define a priority for investment and support. This section assess the major settlement focus areas in terms of access to facility and specific facility density measured as the average number of households per facility..

In a well-developed nodal system, one should expect that the highest density should be in the area closest to the nodal point. This is in line with normal land rent theory and models of urban structure. In terms of the assessment, one would then expect the following:

- The largest number of households should be within the 10 minutes drive time isochrone.
- The highest household densities should occur within the 10 minute isochrone.
- The demand for facilities is a reflection of the number of potential users and hence the number of households in its catchment area. In other words, the more fictions concentrated in the inner isochrone the higher the central place function of settlement area.
- The lower the households per facility ratio in the inner core the higher the central place functions of the settlement focus area.

When these factors are considered Glencoe/Dundee is treated as single entity. The following should be noted:

1. Glencoe/Dundee serves the largest area within a 10-minute drive time followed by Nqutu. Tugela Ferry serves the smallest area because of its topography and general inaccessibility to its immediate environment.
2. Glencoe/Dundee service the highest number of households within its 10 minutes zone followed by Nqutu with Greytown in third place but with about 50% less households than Nqutu. Tugela Ferry is a close fourth and Pomeroy also serve a substantial number of households. Wasbank and Kranskop is by far the weakest in this part of the ranking.

3. Glencoe/Dundee has more or less the same number of facilities than Nqutu followed by Greytown and Tugela Ferry. Wasbank, Kranskop, and Pomeroy have very few facilities with Wasbank the weakest of the three.

Should one combine these factors then one get an indication of how strong these areas are in terms of meeting the accessibility needs for social services. The weighted ranking for these areas are:

10.3 Combined ranking and nodal status

Focus area	Combined weighted ranking	Nodal status	Nodal status in term of Provincial SDF
Glencoe/Dundee	1.0	First order	Tertiary node
Greytown	0.4	Second order	Quaternary node
Kranskop	0.2	Third order	Rural service centre
Nqutu	0.4	Second order	Quaternary node
Pomeroy	0.3	Third order	Rural service centre
Tugela Ferry	0.4	Second order	Quaternary node
Wasbank	0.1	Third order	Rural service centre
Nondweni	Not included in assessment	Third order	Rural service centre

10.4 The impact of accessibility on facility thresholds

The aim of the preceding assessment was to determine the potential of different settlement areas to fulfill the role of a local service centre. The assessment was based on drive times and it was earlier indicated that the population is immobile and walk to access activities. The impact of walking distances needs to be assessed. The details for selected social facilities in the table below show the impact of driving versus walking to facilities on the access thresholds.

The dark blue indicate the areas where the threshold density for walking

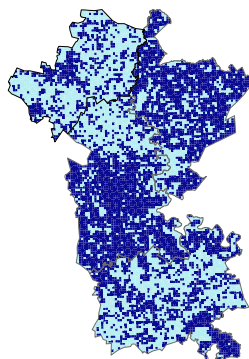
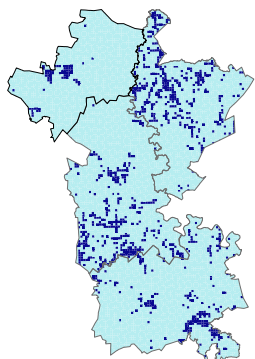
and driving respectively is met.

Threshold densities some social services

Walking as a norm

Driving as a norm

Key variables

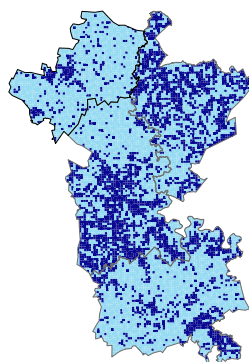
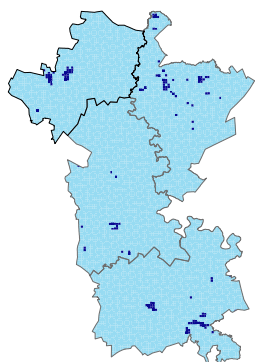


Church

Norm: 1 per 250 dwelling units
Walking distance: 2 km
Drive time: 30 minutes

Threshold density

Walk density (hh/ha): 0.219
Drive density (hh/ha): 0.002



Clinics

Norm: 1 per 10 000 people
Walking distance: 3 km
Drive time: 45 minutes

Threshold density

Walk density (hh/ha): 0.835
Drive density (hh/ha): 0.005

Walking as a norm

Driving as a norm

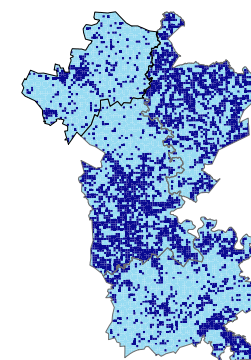
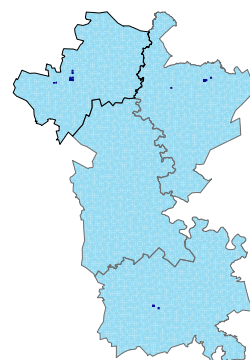
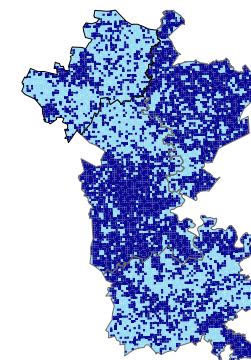
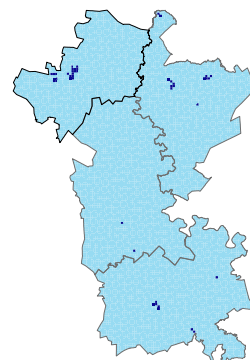
Key variables

Crèche

Norm: 1 per 5 000 people
Walking distance: 1.5 km
Drive time: 30 minutes

Threshold density

Walk density (hh/ha): 1.667
Drive density (hh/ha): .009



Community hall

Norm: 1 per 20 000 people
Walking distance: 3 km
Drive time: 30 minutes

Threshold density

Walk density (hh/ha): 1.667
Drive density (hh/ha): 0.017

This short assessment shows the impact of an immobile population. One should accept that as long as the population's mobility remains as low as it is, it will be impossible to render social services in a cost effect way. To counter this problem there should be a conscious effort to increase settlement in the primary and secondary nodes and to discourage it in any other area. Although third order nodes are recognised, one would rather try to direct investment and service provision away from them to the higher order nodes. This will need a coordinated effort between tribal authorities, the respective Councils, and all provincial and national departments rendering services in the municipal area. While service delivery and the extension of services need to be very selective and focused, one needs to address mobility in the total municipal area. If this cannot be achieved,

then one has no choice but to accept that Umzinyathi is a deep rural area where poverty and a lack of service delivery will persist into the future.

11. The Spatial Development Framework

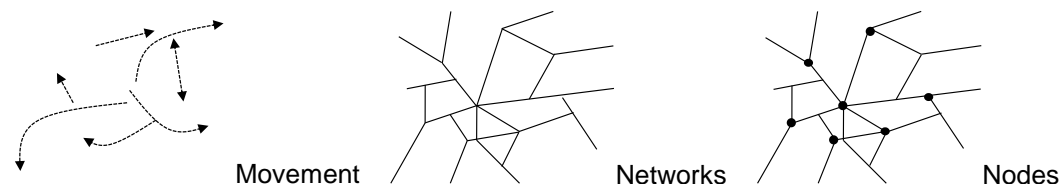
The preceding sections described and assessed the implication of the complexities, opportunities, and challenges of the municipal area. The vision for the municipality confirms the intension of creating a community-orientated local authority committed to sustainable development and affordable service provision. This is the basic guide to actions and strategies proposed in this SDF in working towards realising the vision. The first and a very central issue to consider is the fact that the municipality's ability to intervene and contribute is limited to its powers and functions. This reinforces the need for developing partnerships with the private sector, neighbouring district municipalities, the local municipalities, and other organs of government.

The question that remains is, "How do we do it?" The following sections aim to lay the foundation for that answer, by providing a set of building blocks to be used to restructure the municipal area, and to guide and facilitate growth and development where appropriate.

11.1 The concept – A system of networks nodes and surfaces

The spatial framework is developed though an interrelated set of nodes, networks and surfaces. The essence of development in this system is the movement of people, goods and services that produces the basic impetus for developing functional relationships between otherwise independent and unrelated elements. The movement of people, goods, and services are channeled along specific routes that describe a **network of interaction**. Where networks intersect the opportunity for people, goods and services develop to interact and this gives rise to activity nodes. The intensity of interaction gives rise to the development of a **hierarchy of nodes** of different sizes depending on the level of interaction taking place in a node. This one-dimensional system of networks and nodes are tied together through **surfaces** that fill the areas between the nodes and networks.

The development concept



11.2 Form giving elements

All the factors asses come together and provide a framework within which growth and development can take place. Some of these factors are visible and prominent while other provide a background that impact on all development.

11.3 The impact of environmental factors

Environmental factors are the basic building blocks. The following provides a summary of the key environmental factors that provides opportunities and challenges across all levels of development.

The development impact of environmental factors

Element	Opportunities	Challenges
<ul style="list-style-type: none"> General climate 	<ul style="list-style-type: none"> Above average to high rainfall area Climate variation allow from north to south increases agricultural scope 	<ul style="list-style-type: none">
<ul style="list-style-type: none"> Temperature 	<ul style="list-style-type: none"> Cool to moderate winters Areas from frost free to severe frost. 	<ul style="list-style-type: none"> High temperatures in river valleys
<ul style="list-style-type: none"> Evaporation 	<ul style="list-style-type: none"> Very low evaporation levels 	<ul style="list-style-type: none"> Occasional high humidity in some areas Higher evaporation levels associated with higher temperatures in the Tugela and Mooi River valleys
<ul style="list-style-type: none"> Aridity zones 	<ul style="list-style-type: none"> Aridity conditions allows for wide range of 	<ul style="list-style-type: none">

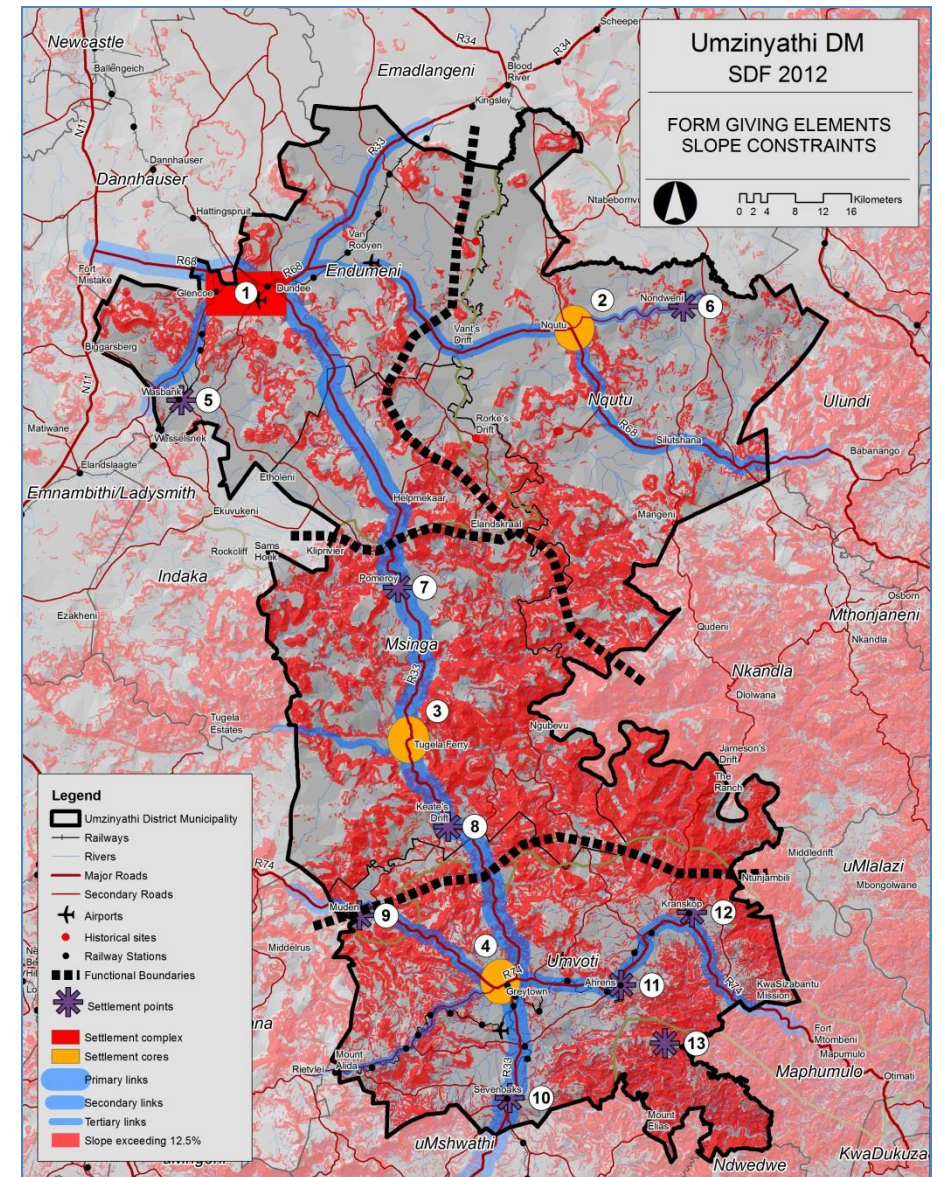
Element	Opportunities agricultural conditions	Challenges	Element	Opportunities	Challenges
▪ Erosivity	▪	<ul style="list-style-type: none"> • High potential for erosion put demand on land management practices 	holding capacity		<ul style="list-style-type: none"> • limited water holding capacity which may create problems in drought periods
▪ Moisture availability	▪	<ul style="list-style-type: none"> • Very favourable for growing a large range of adapted crops 	<ul style="list-style-type: none"> ▪ Soils with special requirements 	▪	<ul style="list-style-type: none"> • The bulk of the area is susceptible to high erodibility
▪ Geology	<ul style="list-style-type: none"> • Generally good foundation conditions in urban areas • Availability of construction materials • Shale and mudstone might be a good sources for brickmaking materials 	<ul style="list-style-type: none"> • Low ground water yields 	<ul style="list-style-type: none"> ▪ Susceptibility to wind erosion 	▪	<ul style="list-style-type: none"> • Some areas in Nqutu and Endumeni might be susceptible to wind erosion under bad land management practices
▪ Slope	<ul style="list-style-type: none"> • Relatively flat terrain in the north 	<ul style="list-style-type: none"> • Development severely impaired and restricted by very steep slopes • Slope restricts movement and accessibility • Slope increases cost of service deliver in terms of construction and maintenance 	<ul style="list-style-type: none"> ▪ Potential to regenerate when eroded 	▪	<ul style="list-style-type: none"> • Low potential for self regeneration of damaged areas
▪ Rivers	<ul style="list-style-type: none"> • Some opportunities for irrigation • Good surface water resources 	<ul style="list-style-type: none"> • Flash flooding • All rivers are in an ecologically vulnerable; condition • Umvoti River classified as endangered • 	<ul style="list-style-type: none"> ▪ Soils with a textural contrast ▪ Soil drainage 	<ul style="list-style-type: none"> • Abrupt transitions are not present in the bigger part of the municipal area • Most of the soils are well drained with only somewhat impeded drainage in soils in the north western sector 	<ul style="list-style-type: none"> ▪ ▪
▪ Soils	<ul style="list-style-type: none"> • Favourable physical properties in some cases • High natural fertility in some areas 	<ul style="list-style-type: none"> • High erodibility in general • Restricted soil depth • Problems with drainage in some areas 	<ul style="list-style-type: none"> ▪ Swelling clays ▪ Saline and sodic soils ▪ Structurally favourable soils 	<ul style="list-style-type: none"> • Swelling clays will have a minimal impact on urban related development • Not an issue to be considered 	<ul style="list-style-type: none"> • Moderate swelling clays associated with Biggarsberg and area east of the R33 in Msinga ▪
▪ Water	▪	<ul style="list-style-type: none"> • The majority of the municipal area has very 	<ul style="list-style-type: none"> ▪ Tree density 	▪	<ul style="list-style-type: none"> • Any the southern parts have soils with structure favouring arable land • Very limited or absent in the whole municipal area north of Greytown • Lower tree densities in Nqutu points to over

Element	Opportunities	Challenges
		harvesting or general loss of trees, which might be due to settlement and land management practices
<ul style="list-style-type: none"> Alien plants Degraded land Soil loss Sediment delivery potential 	<ul style="list-style-type: none"> Very low in the Greytown area Very low in the Greytown area excluding the south eastern part of Umvoti 	<ul style="list-style-type: none"> High invasions along rivers throughout the areas High levels degraded land in Nqutu and Msinga Wide spread occurrence of dongas Very high in Nqutu Very high between Tugela Ferry and Keate's Drift Very high throughout the municipal area Creates problems with dams and weirs in rivers due to high silting

Of all the environmental factors assessed, slope is the environmental factor that has the greatest impact on development. Slope relates to geology and soil types and is a function of climate and rainfall. Slope places direct limitations on development. Slopes steeper than 1:8 or 12.5% is regarded as not suitable for human settlement. It restricts settlement and accessibility in general and makes the provision of service infrastructure very costly. Disturbing these slopes for whatever purpose leads to environmental degradation. This is especially true in an area very susceptible to soil erosion.

The next map shows areas with a slope steeper than 12.5% in terms of the settlement focus areas identified earlier. The numbers refer to the settlement focus areas dealt with earlier.

Map 28: Slope as a form-giving element



11.4 The impact of non-environmental factors

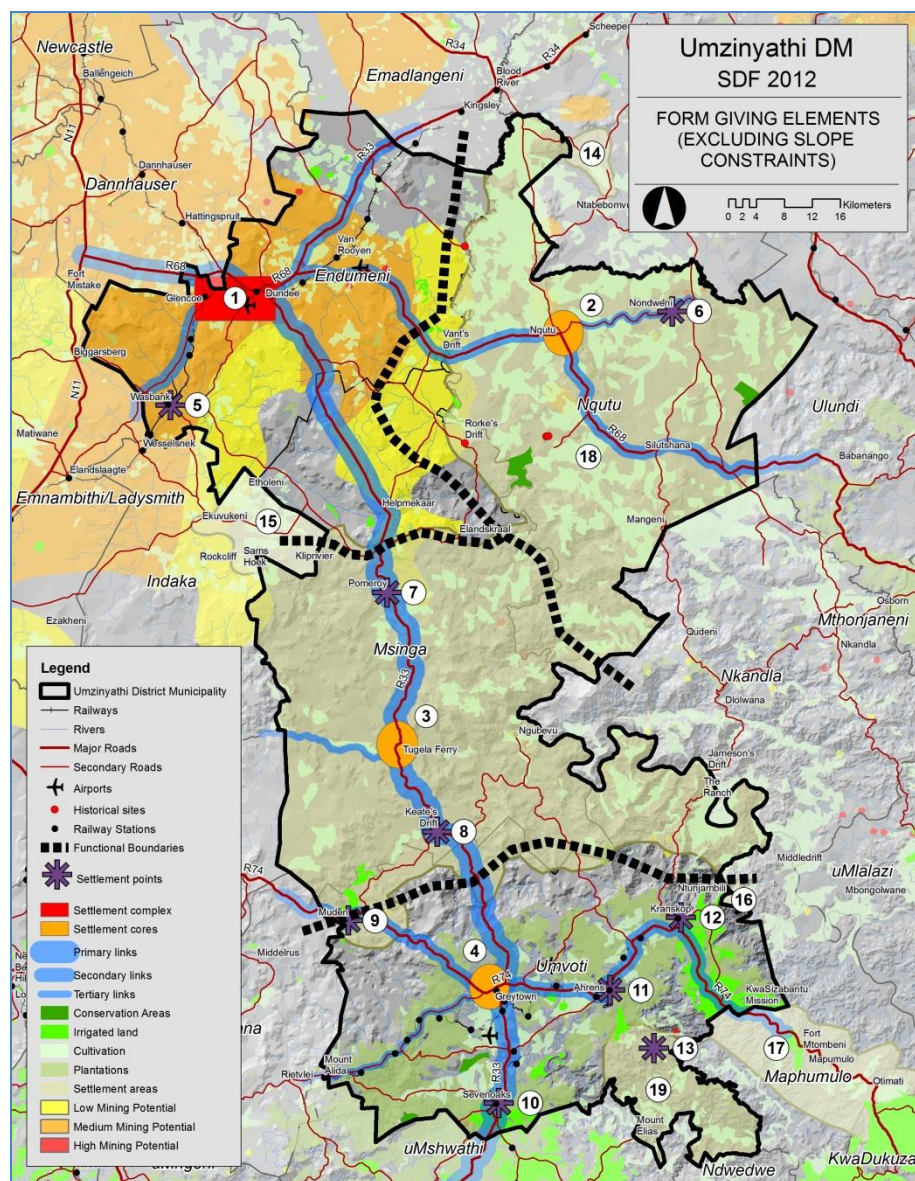
The following map shows the non-environmental factors that affect development. These factors were all dealt with as part of the preceding assessment of the development environment. The following should be noted for planning purposes:

1. The area has a well defined road network that practically serves the total area, The extent of the road network also aligns with the settlement structure All primary, secondary and tertiary road links are tarred although not necessary in an acceptable condition. The R33 is the backbone of the road network but certain parts are in a very poor condition. By regarding the R33 as the backbone of the road system the other roads, including the rural gravel developed as feeder system into the primary and secondary link roads. The rural gravel road network is in good shape and supports general accessibility. The R33 needs urgent attention.
2. The only two airfields of note are the ones at Dundee and Greytown and one should not expect it to play any significant role in future development. However, they are facilities that can work to the area's advantage.
3. The railway network is well establish and available as strategic infrastructure. However, it plays a limited local role. However, with the planned upgrading of national rail services, the Glencoe/Dundee settlement complex might benefit in the process.
4. The historical points in the area related to the battlefields history of the area. The battlefields concept is a recognised asset and it should be developed as such. There are a large number of mission stations in the area with a very long history. The origins and history of these mission stations can link with the battlefields history of the area and might have potential to develop as part of a broader tourism strategy.
5. The functional boundaries indicated on the map coincide with the drive time breakpoints between the nodes. They tend to follow topographical boundaries rather than the institutional (municipal) boundaries. The importance is that the functional roles of the major nodal points transcend municipal boundaries.
6. Settlement points are scattered throughout the municipal area. However, given the level of development and the resource and other constraints in the area it would have been preferable to focus on the

secondary nodes only and discourage investment in any of the settlement points. However, the settlement characteristics of the area, linked to the general immobility of the population necessities investment to improve access to very basic services only in the tertiary nodes identified earlier.

7. The Glencoe/Dundee settlement complex is the focus of urban development in the area and it should be developed as a unity. In addition, the area shows the most potential in terms of possible future non-agricultural related developments.
8. The three secondary nodes (settlement cores) main function is regional service access and it should be developed accordingly. There is very little, with the exception of Greytown that shows any form of viable economic base in their service areas.

Map 29: Form giving elements (excluding slope constraints)



9. There are no large protected areas in the municipality. However, game farming is increasing and the development of more formal conservation areas can be linked to tourism development. However, private sector investment will be necessary and the traditional landownership system might deprive the municipality and its people from this potential benefit.
10. Notwithstanding the general availability of surface water, there are very few and isolated areas where irrigation is taking place. Soil conditions might lower the potential for intensive cultivation under irrigation. However, the protection of existing irrigation areas should be a priority in the municipality.
11. Commercial cultivation is very limited and cultivation activities are generally linked to subsistence farming in the traditional areas. There is limited cultivation on the northern plateau outside the Nqutu area. In Msinga, cultivation is limited mainly to the narrow flood plains next to the main rivers.
12. Plantations are the main form of cultivation in the Umvoti area and are largely the mainstay of the local economy.
13. Mining used to play an important role in the past around Dundee and Glencoe. There are still some potential and it might, depending on future national and international demand for coal, play an economic role in the area. The necessary infrastructure still exists and it would require limited investment to reactivate the mining industry. Unfortunately, there is very little that can be done locally to reactivate this sector.

11.5 Conceptual framework

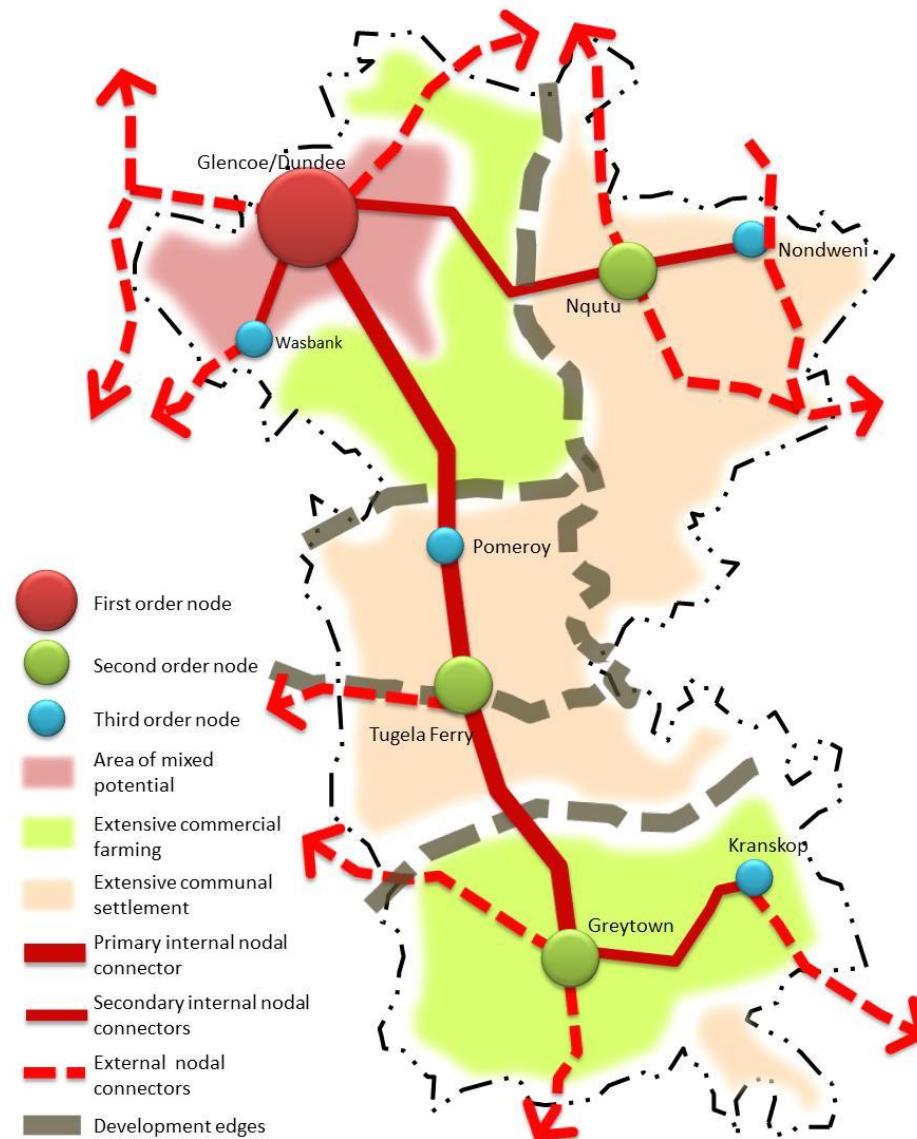
The conceptual framework brings together the development concept of movement, networks, nodes, hierarchies, and surfaces. It takes cognizance of the development perspective and preferred scenarios. The following figure shows how the broad development concept is applied in Umzinyathi District Municipality.

The conceptual framework is a derivative of the form giving elements detailed in the previous section. The impact of environmental factors and particularly the history of development in the area practically draw the current and future spatial structure of the area. There are elements of this structure that is not optimal in terms of development as well as location. However, realistically there is very limited scope to induce structural

changes into an environment:

1. That is clearly declining in terms of population.
2. Exporting labour and skills.
3. Where economic growth is driven by the government sector and social services.
4. With a primary resources base marked by low agriculture potential and a mining sector that cannot compete in the current market for coal.
5. With a very rigid and restricted tribal based communal land ownership system.
6. A commercial agricultural sector disrupted by large scale land claims.
7. Marked by an inherent inertia of households and people to move and respond to environmental changes.

Map 30: The application of the development concept



8. With high levels of immobility in the local communities which restricts access to facilities and opportunities.

There is no indication for any potential to embark on aggressive growth and development strategies under the current circumstances. A more appropriate approach might be to focus on:

1. Sustaining current services infrastructure and social facilities through appropriate maintenance programmes.
2. Prioritizing and focusing investment on the first and second order nodes.
3. Limiting social and service infrastructure provision to the very basic levels only and rather aim at improving the standard (quality) of existing services in the identified nodes.
4. Strategic investment in the first and second order nodes that will encourage households to migrate closer to or settle in these nodes.
5. Maintain and sustain the status quo in the extensive communal settlement areas at the current basic level of services.
6. Agrarian reform in communal settlement areas to complement and encourage resettlement and improve food security. This should be supported by an appropriate environmental and conservation strategy underpinned by improve land management practices.
7. The introduction of private capital in the communal settlement areas to capitalise on the tourist potential locked up in the history and scenery of the area.

The outline of the proposed spatial structure is below.

11.5.1 Nodes

A three level nodal structure is regarded as appropriate in the UDM. A lack of growth and mobility do not allow one the liberty of many nodal points but as prioritisation of development is key element development by necessity be in a small number of nodes that can actively supported and sustained.

First order node

The PGDS only identifies Dundee as one of its tertiary nodes. However, the close proximity of Glencoe and the functional links between the two areas needs to be considered. If only Dundee is selected, it undoubtedly implies that Glencoe should continue to decline. However, the two urban areas linked by more intensive farming and the possible reintroduction of mining and an up scaling of rail transport warrants the inclusion of Glencoe as part of an extended urban node.

Second order nodes

The second order nodes align with the PGDS proposals. It covers the administrative seats of Nqutu, Msinga and Umvoti Local Municipalities. The primary role is to service as regional service centres.

Third order nodes

None of the rural service centres was specifically identified by PGDS. However, the PGDS is clear on their envisaged role and function. The nodes identified as third order nodes all fulfill these function already. However, it is important to note that the fact that these points were identified as nodes it is not implied that grow and investment in these nodes should be supported. The approach would rather be to sustain current services and to direct development, investment, and growth to the first and second order nodes. The resource base of the municipality is simply too small to include these nodes in an investment strategy. The assessment has also shown that densities in their service areas are too low to support cost effective service delivery. These nodes should however, actively be managed to prevent further decay and to maintain health standards and ensure building safety.

11.5.2 Networks

It was indicated earlier that a development system of nodes, networks, and surfaces could only be sustained through movement. This includes the movement of all goods and services as well as people.

Road and transport networks

The municipal area is well endowed with main transport networks. Notwithstanding the relative isolation of the municipality, its interregional linkages are well developed. This applies to both the road and rail systems. The main road and rail networks developed very similar patterns. However, these networks focus on north south linkages and lateral linkages running east west is less developed due to significantly less interregional demand for east west movement. Only the Glencoe/Dundee and Greytown nodes have later links into the larger region. The intra-municipal movement utilises the same networks as primary movement lines that are supported by a well developed secondary network that serves local movement needs. No need or scope for further network

extension within the municipal area could be identified although greater emphasis can be put on secondary and tertiary roads feeding into and linking with the R33. The R33 is the backbone of the movement system but it needs urgent maintenance and upgrading in some areas. The single lane bridges over the Tugela and Mooi Rivers do not seem to be a serious constraint of movement at this stage. However, both bridges require urgent maintenance.

Service networks

The nodal areas do have access to all major services. There is very little growth pressure in the nodal areas and the focus should rather be on sustaining systems through maintenance. The rural and commercial areas are covered by bulk infrastructure where necessary. The electricity network is well developed and water service in the extensive low-density settlement areas might be hampered by borehole equipment not working. In essence, the emphasis should again priorities rehabilitation and maintenance of existing water infrastructure. Given the low-density nature of the rural areas and the inability to recover, any service costs in these areas a service delivery strategy should aim at providing only the very basic services and then where it is absolutely necessary.

There seems to be a tendency to develop large-scale water networks. If this is the case then one should assume that the current settlement profile is accepted and that it is entrenched and restructuring and optimising rural settlement over the long-term does not form part of any strategy of the District or any of local municipalities involve. The net effect might be a de facto acceptance of the current development scenario. This is underscored by an approach of taking facilities to people rather than bringing people to the required facilities as contemplated, for example, in the Nqutu SDF and the service delivery strategies put forward by provincial and national sector departments as part of Umzinyathi's LED programme.

Surfaces

The areas filling the gaps between the nodes and networks are utilised for five main groups of activities. These activities have been assessed in detail but it is worth highlighting some key aspects.

11.5.3 Conservation Corridors

The Umzinyathi SDF identified and recognised two main Conservation Corridors or areas in the municipality. The first is the Biggarsberg running from west to east through the northern part of the municipal area. It starts between Glencoe and Wasbank and runs past Helpmekaar eastwards towards the Nqutu boundary south of Mangeni. From Helpmekaar to the Nqutu boundary it delineated by the northern boundary of the greater Tugela valley and then in the east by the Buffalo River valley cutting into the Tugela River Valley from the north. There are currently no formal protected areas in this corridor or any indication that conservation is actively promoted. On the contrary, large parts of this area is severely degraded and scarred by agricultural and low-density settlement practices. The second area is described by the southern boundary of the Tugela valley where the elevation is more than 100m above sea level. The areas stretches from Muden to Kranskop Again there are no formal conservation activities or protected areas in this zone. Conservation is a matter that should achieve attention.

Biodiversity Priority Areas

The SDF recognises the KZN Wildlife conservation priority areas. It includes Biodiversity Priority 1 and 3 areas. The SDF also shows the Protected Area Expansion areas, the provincial Environmental Corridors, existing Protected Areas, Natural Heritage Sites and Conservancies.

High potential development area

The areas around Dundee and Glencoe (First order node) was identified as an area with a diverse potential. It not only includes a substantial population concentration and business and community facilities, it is also an area with relatively high agricultural potential on a proven but latent potential for coal mining. It is the heart of the battlefield tourism initiatives and the area had highly accessible through inter regional road and railway links.

High potential agricultural land

The PGDS identifies only the area around Greytown as an "agricultural investment area". However, this area already taken up forestry activities. However, the ARC indicates significantly more areas as category 2 and 3

in terms of land capability. These are areas suitable for moderate cultivation and intensive grazing. Nqutu do have substantial portions of these areas but they are largely constrained by low-density settlement, degradation due to land management practices and a land ownership system that restricts commercial use of the land. Endumeni also have large portions of relatively high potential agricultural but Msinga, mainly due to topography is largely deprived of such land. There are only limited patches south of Pomeroy and small isolated portions in the very narrow and inaccessible river valleys.

Extensive communal settlement

This area covers the larger parts of Nqutu and Msinga and poses serious development challenges. There is a similar area in the southeastern part of Umvoti. It is indicated in the PGDS as “social intervention areas”. The challenge is that need (on social concept) does not imply effective demand (economic concept). The difference between the two is the gap between welfare actions and financially sustainable service delivery. The issue is compounded further by the extreme and extended low density of development and the inherent immobility of the local population. These matters are further complicated by a land tenure system that do not necessarily promote development and entrepreneurship.

12. Development proposals

The conceptual framework as outline above is the basis for formulating proposals for spatial development in the municipal area.

- The basis for the SDF starts by dealing with the **natural structuring elements** in the municipal area. These constitute pre-existing conditions in the municipality that largely dictate spatial form and development patterns because of the restrictions that these elements often place on development. The natural structuring elements include physical barriers such as mountains, ridges, and rivers or natural resources such as conservation areas, mineral deposits, and high potential agricultural land.
- Secondly, the framework considers the division between urban and rural environments through the identification and demarcation of **development focal points**.
- The spatial development proposals subsequently address the **urban and rural environments** in terms of the nodes, networks, and surfaces that apply to those environments.
- Finally, the SDF considers **movement networks** that exist and connect the different elements, and how this should be strengthened to enhance the interaction between the various elements.
- The SDF also deals with certain non-spatial issues such as **financial sustainability and institutional capacity**.

In formulating guidelines and proposals for development, the approach is to focus on a few critical issues rather than identifying a plethora of issues and needs. This means that, while taking into consideration current growth dynamics, it is better to make a few key development proposals that will focus development energy to areas where agglomeration advantages can be created and a difference can be made in the spatial structure as opposed to identifying every possible development opportunity and never reaching critical mass with any of those.

In the rest of this chapter, each of the spatial structuring elements will be dealt with in terms of the following three aspects:

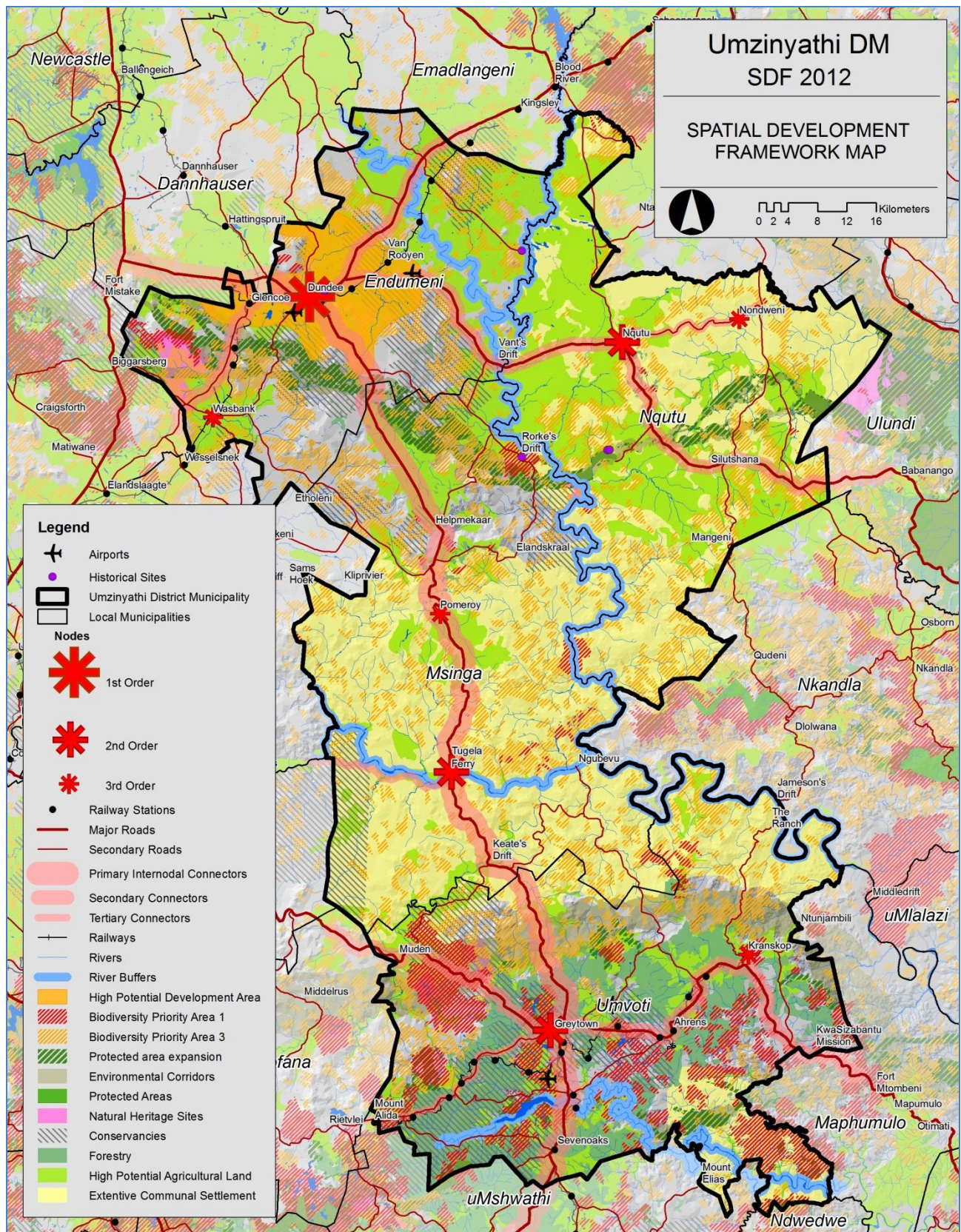
- General description and characteristics

- The identification of the elements in the planning area
- Principles and guidelines for implementation and management

It should be borne in mind that the Umzinyathi SDF remains a broad strategic planning framework due to the large geographic space that it covers as well as the District Municipality's functional and institutional relationship with provincial government and local municipalities in terms of powers and functions. It cannot therefore make detail proposals for specific areas. For that purpose, localised spatial development frameworks are more appropriate.

The proposals for spatial development are covered in the sections below. The proposals are shown on the next map followed by guidelines for land use interventions in terms of the SDF.

Map 31: Umzinyathi Spatial Development Framework



13. Natural Structuring Elements

Natural Open Space System

The natural open space system is depicted on the map as “Priority Conservation Areas” and “Existing Conservation Areas”.

In dealing with natural structuring elements the following principles should apply when development may affect the natural open space system and environment:

- *The environment should be planned and managed as a single integrated system. This includes micro system in denser developed area as well as the broader environment at a municipal scale.*
- *The natural open space system should be protected from intrusive, irresponsible and ad hoc developments that damage the ecological integrity as well as visual quality of these areas and will result in environmental degradation.*
- *Where appropriate, a continuous open space system must be developed in the municipality. This means that in certain areas where natural open space is currently affected by activities the municipality must intervene through partnership arrangements with stakeholders in order to ensure that these ecological corridors can be created and are able to function appropriately.*
- *Not all areas are equally important. Focus should be placed on and resources allocated to those consolidated natural open space areas where long-term ecological sustainability can be achieved.*

Although the SDF aims to make proposals that respect the ecological integrity and environmental sustainability of the area, it may be necessary in certain instances to re-evaluate environmental potential against development potential in order to achieve the truly sustainable development of the area.

High Potential Agricultural Land

The SDF designates high potential agricultural areas as an important structuring element in the long-term growth of the municipality. This is based on the need for intensive agricultural production areas in close proximity to settlements on account of cost advantages due to links to markets, direct and indirect employment opportunities for settlement dwellers, stimulation of secondary business activities (e.g. food processing) and food security.

Land with irrigation potential is regarded as highest potential agricultural land and should be managed and protected as such. These areas should be reserved as prime agricultural land in the municipality and be protected from any development or land uses that may have a negative impact on the agricultural potential of the area. The most important is the areas under irrigation and those with irrigation potential. Nevertheless, the importance of agriculture in the local economy warrants special attention to all agricultural land.

The rest of the area is covered by low intensity extensive agricultural land. In terms of the land capability the areas agricultural potential varies substantially and range from land suitable for intensive cultivation through to land that preclude its use for commercial plant production and restrict its use to recreation, wildlife, water supply or aesthetic purposes

Agriculture is and will remain the backbone of job creation in the municipal area and is an integral part of eco-tourism in the municipality.

The following activities are consistent with development in the high potential agricultural area:

<i>Activity</i>	<i>Definition</i>
<i>Agriculture</i>	<i>The cultivation of land for crops and plants or the breeding of animals or the operation of a game farm on an extensive basis on natural veld or land.</i>
<i>Agri-Industry and Agri-Processing</i>	<i>An enterprise for the processing of agricultural products on a farming unit or within a rural area owing to the nature, perishableness and fragility of such agricultural products (e.g. farm pack stores, food processing etc.).</i>
<i>Agri-Village</i>	<i>A private settlement situated within an agricultural area and where residence is restricted to bona fide farm workers and their dependents of the farms involved in the development.</i>
<i>Agri-Tourism</i>	<i>A type of tourism in which travelers travel to rural areas to experience the activities and lifestyles of people living and working in the agricultural sector.</i>

Mineral resources

Mineral resources were, and might again be to key developments in the municipal area. The development of mineral resources contributes to development through increased economic activities and benefits. However, the location of mineral deposits and potential mining areas are clearly overlapping with high potential agriculture and core conservation and tourism areas. With the large coal deposits that do exist, and if the international demand for coal changes the pressure for further mining will undoubtedly increase.

In dealing with mining developments, the following principles should apply:

- Mining development is supported within the sectoral framework of national legislation and policies.*
- Activities on land owned by mining companies should exclude onsite residential, social and community facilities which should be*

accommodated in the formal urban areas itself.

- *No informal settlement will be allowed on mining land.*
- *Satisfying the demand for infrastructure, housing and services will be for the account of the mining companies. Should investments be required from the Council to meet the needs of mining companies, it will only be done once the acceptable performance guarantees are provided by the mining companies.*

Growth Management

The analysis has shown that the population will decline in the future. This however, does not eliminate urbanization that is expected to continue for the near future. Given the limited growth prospects and the fact that urbanization may provide the only element to engineer spatial change, the process needs to be managed with great circumspection. Spatial growth recognises a number of important elements. The management of spatial growth is structured around the spatial containment of growth by strengthening nodes and improving selected networks as development corridors and activity spines.

Urban and semi-urban areas

For the purpose of the SDF, the urban area is defined as those areas that are characterised by clearly defined concentrations of activity and built-up areas. The typical activities found in urban and related areas include residential development, business and administrative functions, social services and infrastructure, industrial, and commercial developments etc. The urban areas should comprise a range of services and facilities that are required to achieve a sustainable, efficient, convenient, and livable environment. The SDF do not make any specific proposals in this regard since it is recognised as the domain of the LMs. However, the following guidelines are provided to ensure a consistent approach throughout the municipal area.

Activity Nodes

Urban activity nodes are concentrations of development located at accessible locations such as modal interchanges and the intersections of public transport routes. These nodes should create areas of agglomeration advantages that are able to attract business and economic developments to these areas. Well-functioning activity nodes are vibrant areas comprising shopping, work, social and cultural opportunities and public transport facilities in a high quality, safe public environment.

The following nodes is the focus of development in the municipal area:

- ***The Glencoe/Dundee Urban Complex*** as the first order node and core urban area. Development in Umzinyathi had and will centre on the Glencoe/Dundee Urban Complex as first order node. This node has a very distinct role to play in the municipal area and it is the most significant urban area in the area and is recognised as such in the PGDS. The node is well established and provides the full range of business, community and government services to the municipal area.
- ***Greytown, Nqutu, and Tugela Ferry as second order nodes*** are important as higher order service nodes. Their importance lies in their roles as administrative seats of the three municipalities. Greytown is structurally well developed and it exhibits all the characteristics of a regional service centre. Nqutu and Tugela Ferry do have commercial and community facility elements that define its role as service centres but are structurally deficient in the sense that they do not have a strong and well-developed residential base. Very specific development strategies should be formulated to encourage and strengthen these nodes in order to fulfill their rightful role in the development landscape.
- ***Wasbank, Nondweni, Pomeroy and Kranskop*** are municipal service points. However, under normal conditions of development and growth with less limitations of mobility, one would not have opted for these for inclusion in the SDF. The resource base is simply too limited to support this many nodal points. However, given the nature and expansiveness of existing development patterns they have a role in providing very basic services to their immediate areas. Their development should however not be encouraged, its development should be limited to low levels of investment focusing on very basic service and community facilities. Strategically the aim remains the functional integration of development with the first and second order nodes through improving the mobility of the poor and to enhance access to opportunities and resources.

From an urban efficiency and functionality perspective, the clustering of community, social and business facilities in nodes around points of highest accessibility is of vital importance, i.e. –

- By clustering facilities, a selected few high quality nodes can be created that can serve as the heart of communities and promote social interaction.
- Multiple settlements can be served by social services in central points.
- The sharing of facilities between various services (e.g. buildings, logistics, parking etc.) can take place.
- Central clusters ensure enhanced accessibility and convenience for residents.
-

The following general principles apply to the development and management of nodes:

- *In order to support the effective development of nodes in the municipality, the development of urban non-residential land uses, such as business, retail, community facilities, and social services should be restricted to nodal areas.*
- *Nodes should typically be located at the main access points as urban areas, typically at the intersection of a major mobility route and the major collector route.*
- *These nodes should show a high degree of public investment in infrastructure, and social services.*
- *Nodes must be characterised by mixed-use, high intensity activity and higher density residential development.*
- *Nodes should be developed with a clear function and focus.*

The essence of this approach is to actively discourage the further expansion of services in the low-density rural settlements and restrict service delivery to the absolute basic necessities. One cannot afford the situation where a homeland legacy is literally cast in concrete and perpetuated into the future.

Densification

Densification is not an end in itself, but a means to achieve more efficient utilisation of transport, the creation of the necessary population thresholds to support community and business facilities and to prevent low-density outward expansion and development on land, which is

valuable from an ecological or agricultural perspective. In the case of a municipality that has largely pedestrian orientated communities like, densification helps with improving access to key facilities and amenities in the town.

The following should apply to densification:

- *Higher density development should be focused around and within walking distance from major activity areas and transport services. The key is infill development rather than redevelopment at higher densities.*
- *Densification should capitalise on existing available infrastructure.*

Aspects that may influence the level of densification in a particular local context include –

- Availability of infrastructure and services, which can support higher density residential development,
- Heritage aspects,
- Socio-economic characteristics,
- Topography.

Settlement and residential development

Housing development is a key lever in facilitating structural change. Residential development, in particular residential development for lower income groups, must focus on social and economic integration and inclusion. Settlement development should form an integral part of the urban areas and housing development initiatives outside the first and second order nodal points must be actively discouraged and be redirected to the higher order nodes.

All future settlement developments that take place in the municipal area shall adhere to the principles of the policy document Breaking New Ground: A Comprehensive Plan for the Development of Sustainable Human Settlement. These include principles⁴ such as:

- *Residents should live in a safe and secure environment, and have adequate access to economic opportunities, a mix of safe and secure housing and tenure types, reliable and affordable basic services, educational, entertainment and cultural activities, health, welfare and police services.*
- *Ensure the development of compact, mixed land use, diverse, life-*

enhancing environments with maximum possibilities for pedestrian movement and transit via safe and efficient public transport in cases where motorised means of movement is imperative.

- *Ensure that low-income housing is provided in close proximity to areas of opportunity.*
- *Integrate previously excluded groups into urban areas and the benefits it offers, and to ensure the development of more integrated, functional and environmentally sustainable human settlements, towns and cities. The latter includes densification.*
- *Encourage Social (Medium-Density) Housing.*
- *Multi-purpose cluster concept will be applied to incorporate the provision of primary municipal facilities, such as parks, playgrounds, sports fields, crèches, community halls, taxi ranks, satellite police stations, municipal clinics and informal trading facilities.*
- *Enhancing settlement design by including design professionals at planning and project design stages, and developing design guidelines.*
- *Social housing must be understood to accommodate a range of housing product designs to meet spatial and affordability requirements.*

The residential settlement areas in Umzinyathi require its own particular interventions over and above the standard principles as set out above. The following indicates the development principles applicable to them.

Development and investment in these service centres should focus on creating sustainable human settlements.⁵ The general qualities that must be achieved are:

- *The area must be attractive, safe and convenient for people to live in.*
- *Residents must have access to residential amenities such as local businesses, transport facilities and social and community facilities.*
- *The area should have a functional local economy.*

- *The area must be linked to other urban areas through efficient and affordable movements systems to ensure people's access to goods and services outside of the townships.*
- *Development and investment in these service centres should focus on creating sustainable human settlements.⁶*

The following interventions might be appropriate:

- *Residential densification should take place around the activity network to create a proper mixed land use, integrated urban node.*
- *Infill housing developments must take place on vacant land parcels that are suitable for development.*
- *Infrastructure redevelopment, rehabilitation and upgrading should be a major force in development.*

Low density rural areas

Rural areas are defined as “the sparsely populated areas in which people farm or depend on natural resources, including the villages and small towns that are dispersed through these areas.”⁷ As shown in the contextual analysis, the largest part of the municipality comprises of low-density rural environment. The SDF must therefore focus on how to enhance and support appropriate rural development in the area.

The rural environment in Umzinyathi is essentially made up of the following four elements:

- Agriculture at varying degrees of intensity.
- Natural open spaces.
- Population concentration points.
- Conservation and tourism area.
- Large scale forestry with supporting infrastructure.

The rural environment should be protected from development that is not in line with the rural character of the area. The most important principle that applies is that development should be restricted and that the rural character should be maintained. These areas are typically removed from major nodes or activity areas with little chance of functional integration, which means that any inappropriate development in

these areas will contribute to an inefficient spatial form and functionality. Any uses that would normally occur in urban or suburban areas should not be approved outside the urban edge.

The following principles apply when evaluating applications for developments outside the urban edge:

- *Uses should be rural in nature, or should require a rural setting in order to be functional or viable.*
- *The development should not require extensive service infrastructure.*
- *The development should not have any negative environmental impact.*
- *The development should not create possibilities for other developments to establish in the area.*
- *Uses that primarily service the local market.*
- *Uses which are resource based.*
- *Uses which are located at a defined in approved service points.*

Land uses that can be permitted in the rural environment include:

- *Nature conservation/sensitive natural areas.*
- *Agricultural activities.⁸*
- *Tourism and related activities.*
- *Conference and training facilities.*
- *Recreational facilities, which are essentially rural in nature.*
- *Farm stalls and home industries.*
- *Resource based industries.*

Any other uses that in the municipality's discretion fit in with the character of the area outside the urban edge, provided that such development adheres to the criteria set out above.

There is always a need for housing development in rural areas. However, the danger of accommodating housing developments in rural environments without thorough consideration is that islands of poverty are created which have no potential for future economic development or intensive provision of social and community facilities.

It is important to ensure that residents of these settlements are not just housed in any rural location, which is devoid of services, facilities and economic opportunities, there are certain principles that should inform the development of rural housing. These are:

- Rural housing should as matter of principle be discouraged and housing delivery should focus on the first and second order nodes.*
- Rural housing should focus on providing housing to people who are connected to the rural economy.*
- Rural housing development should focus on particular locations in the rural environment where consolidated settlements can be developed. By focusing housing developments in particular locations in the rural environment, it will become possible to develop more sustainable settlements with all basic social services and facilities, rather than having small scattered housing settlements across the rural environment where it is not feasible to provide services and facilities to each of those settlements.*

14. Implementing the SDF

Strategic objectives for guiding the implementation of the SDF

To give impetus and effect to the Council's vision and the principles driving it, the SDF has an important role to play. However, this role is largely defined by the development realities driving long term development and the ability of the Council to give affect to a spatial implementation strategy and programme to support the objectives of the SDF.

The earlier assessments deal in detail with the factors affecting and determining the extent of development in the municipal area. The following are key considerations:

1. Population growth is low and negative growth is expected within the next two to three years. Spatial reconstruction through active population growth is not an option.
2. The permanent migration of economic active males is a feature of the labour market.
3. Economic growth is driven by the services sector and in particular government services. The primary and secondary sectors are stagnant and do not show short-and medium-term growth expectations.
4. Agricultural potential vary throughout the district but better potential is limited to the Dundee/Glencoe and Greytown areas. Nqutu do have relative good potential but is limited by the dispersed low-density settlement patterns, inappropriate subsistence farming actives and serious environmental degradation.

5. Unresolved land claims might have a very negative impact on agricultural development in the area.
6. There is still relatively good mining potential in the northern parts. However, the impact and development of this potential is largely depended upon the future demand for coal. It is not something that can be influenced by the Council but it ensure that t short term development initiatives do not compromised the future exploitation of these reserves.
7. There might be conflict between mining potential and environmental conservation objectives in some areas.
8. There are extensive conservation proposals but very few options for implementing these proposals. The Council should use EIAs as catch net to promote the provincial conservation objectives.
9. The largest potential for conservation lies in the promotion of the concept of conservancies created by private landowners. These conservancies are often linked to game farming, lodges, and tourism in general.
10. Tourism is currently built around the “battlefields” concept. However, this is largely incidental tourism and one should explore the expansion of this concept to the extent that the area becomes a tourism destination in its own right. The possibility of a Zulu Cultural Festival in line with the Grahamstown Arts Festival was mentioned as a possibility. The existence of various mission stations with a rich history linked to the post war periods might be a logical extension for the battlefields concept.
11. Existing settlement patterns are not conducive to development. The expansive low-density settlement in Nqutu and Msinga make the provision of the most infrastructure, commercial, and community facilities not feasible and sustainable.
12. Given the low and even negative population growth rates, the chances of changing this are very slim. One faces a settlement pattern that is structurally unsustainable.
13. The high levels of immobility of a very poor population aggravate the situation. One has two options to spatially restructure the spatial environment. The one is to bring people to services and secondly to bring services to where the people are. The latter is not a sustainable option since densities work against it. The only option is to improve the mobility of people. This will also not be easy given the large number of people spread over an even larger area.

As indicated in this summary, the assessment highlighted a number of issues or principles that should guide spatial development. The following have been identified as being critical to the development of the municipality:

Infill and compaction to accommodate any possible growth

The assessment has shown that spatially the settlement patterns reached an undesirable configuration that seriously disadvantage current residents and in the process isolate them for access to opportunities, amenities, and resources. Any future development initiated by the public sector should be much more focused and be limited to the immediate areas of the first and second order nodes. Within these nodes, the emphasis should be on infill and compaction.

Improved access and mobility

It is not an option for the Council not to continuously improve the access and mobility to the people of UDM. It should be the highest priority of the Council. Where low density settlement is a challenge, and where there is no indication that these patterns can be changed in the long term, it is important that the Council adopt an approach of bringing people to facilities and amenities rather than taking facilities and amenities to the people. In this respect, the PTP should be revisited with this specific aim in mind.

High premium on environmental conservation

The very nature of the environment is the catalyst for some of the core activities in the municipal area. The nature of agricultural and tourism activities is largely a function of environmental conditions. Deterioration in environmental conditions will imply a declining agriculture and tourism sector and hence negative impact on the local economy through job losses and the general decline of the economy.

Prioritise and focus on selected nodes

The Council should aim at focusing all possible investment on Dundee, Nqutu, Tugela Ferry, and Greytown. Resources are limited and these areas should be prioritised by the Council, the LMs and all sector departments.

A two pronged support strategy

Prioritizing the nodes should not imply that the outlying areas are ignored. A distinction should be made between economic investment and welfare support. Economic investment should be limited to the four selected nodes. The rest of the area should only receive very basic minimum support to sustain health and social conditions. There should also be a balance between allocating resources to both these areas. The indications are currently that all support is directed to the low-density areas or the so-called “priority intervention areas” in the provincial SDF. This also applies to the LED projects in the IDP.

Implementation strategy

The development and implementation of the SDF is built around the powers and functions of the UDM. It is important to recognise that the Municipality can only leverage development within the framework of its powers and functions. In this sense the executive options for the municipality are very limited. To achieve the objectives of the SDF two things must happen:

1. Development, land use planning and land use management must take place within the framework of the SDFs proposals and guidelines for land uses and development. These guidelines are dealt with in 11.
2. The SDF in itself will not achieve any of the set objectives but is dependent on strategic projects that will enhance the spatial structure and contribute to goal achievement.

The projects linked or supporting the SDF objectives

To give effect to the tone and directions provided in the SDF a number of interventions are proposed. Interventions are structured along the following priority lines:

1. Strategic interventions that will affect the Council's operation for the next five years. These interventions need to be carried into the Council's IDP and from there into the MTREF, annual budgets and operational planning.
2. New projects that were identified to support the implementation of the SDF.
3. Project that fall outside the scope of the Council's powers and function but where it should play a leading role in initiating and promoting it.
- 4.

UDM is clearly under institutional stress as reflected in its challenges to reach budget targets. The inability to implement projects against the backdrop of nearly total dependence on grants and subsidies and the unlimited demand on the resources of the Council is evident. The role of budgetary processes is recognised and the projects listed in this section are not necessarily an indication that they are priority projects. Project prioritisation is part of the IDP and budgetary processes. The projects put forward are interventions that from a spatial planning point of view will contribute to the development of the area.

The SDF in its totality guides and aids decision-making on spatial development. However, in the processes of analysis and assessment a number of issues were identified that might go beyond the scope of the SDF itself and needs further attention from the Council. The following issues need specific attention:

Strengthening the impetus of the IDP

The Council's focus on infrastructure development can benefit from a longer term strategic framework that can direct service delivery in line with spatial and other strategic objectives. Currently the IDP with the MTREF is the only integrated framework for directing long term investment but the MTREF has only a three-year horizon. Furthermore, there are a proliferation of powers and functions between UDM and the LMs. The result is that different infrastructure services are delivered by different institutions. However, customers (households and other) receive a package of services at the end of the day. All the municipalities in the district (LMs and UDM) should benefit from an regionally based integrated Infrastructure Investment Framework that nevertheless, recognises the role and functions of each institution involved. This issue can be addressed through the implementation of the following project:

Project 1:	Infrastructure Investment Plan
1. Project rationale:	The success with achieving the outcomes of the SDF will be measured in terms of improved service delivery. Sustainable service delivery will reflect on economic and institutional development. The ability to meet the needs of the community will largely depend on the Council's ability to improve its revenue base by optimising own revenue sources
2. Objectives:	<ul style="list-style-type: none"> • To enhance the financial position of the UDM and LMs through sustainable infrastructure and service delivery • The development of an integrated and coordinate service delivery strategy • The alignment of local and regional service delivery objectives • To manage the combined impact of service delivery from various institutions on beneficiaries of service delivery • To accelerate backlog eradication in a coordinated and integrated manner
3. Issues to be addressed:	<ul style="list-style-type: none"> • Cooperation and buying of LMs and UDM into a joint strategic service delivery programme • The role and responsibilities of infrastructure service providers in the UDM area • Strategic options and approaches towards differentiated service delivery in responses to geographical and socio-economic differences in the UDM area • Demand for reticulated and bulk infrastructure • Capital requirements and funding sources <ul style="list-style-type: none"> ○ New infrastructure ○ Renewal of existing infrastructure

Project 1:	<p>Infrastructure Investment Plan</p> <ul style="list-style-type: none"> • Assessment of the operating account in terms of the impact of capital investment • Impact on the UDM and LM's revenue base through changes in household bills and cost recovery strategies
4. Project outcome:	<ul style="list-style-type: none"> • An integrated Infrastructure Investment Plan (at least 10 years) to guide the Council to sustainable service delivery showing per LM and for the UDM: <ul style="list-style-type: none"> ○ Service delivery rates to meet strategic targets ○ Capital expenditure ○ Capital funding requirements ○ Operating income and expenditure per infrastructure service and different land uses ○ Net cash flow positions ○ Service quantities in terms of MI water, MI waste water generated, kWh electricity used, volumes of waste generated, etc. ○ The cost of top structures ○ Distinction between private and public investment ○ Cost recovery and subsidy strategies
5. Skills required:	<ul style="list-style-type: none"> • Development planning • Municipal infrastructure and service delivery • Municipal finance • GIS
6. Timeframe:	<p>12 months for plan formulation and implementation and a subsequent 3 years maintenance project to assist the</p>

Project 1:	Infrastructure Investment Plan
	Councils with integration of the strategies into their IDP and budgets
7. Budget	Project implementation: R500 000 per municipality which add to a total of R2.5 million Maintenance contract: R75 000 per month for three years (R2 700 000)

Improving access to facilities and resources

Rural densities do not satisfy the criteria for establishing viable rural community services and facilities. Furthermore people are immobile and clearly do not change locality very easily. However, the challenge remains to provide the residents of these low density areas with access to basic facilities and amenities. Improved accessibility can be achieved by proliferating community facilities through these areas but this comes at a substantial cost. Assessments in previous sections have shown that the existing densities cannot sustain the required amenities throughout the area. The alternative is to improve public transport through the area to increase general access into the identified nodal points. The current PTP did not address these issues. It will be appropriate to revisit the PTP with the specific mandate to investigate and formulate proposals regarding an improved public transport system.

Project 2:	Investigation into the establishment of a municipal rural transportation system
1. Project rationale:	It is more cost effective to provide people in rural areas with a free public transportation system than embarking on a programme to proliferate non-viable community facilities and amenities throughout the UDM area
2. Objectives:	To improve access of rural people to community facilities and economic opportunities in the identified nodal points
3. Issues to be addressed:	<ul style="list-style-type: none"> • Comprehensive feasibility study • Full costing of service • Coverage, time tables and routes • Service provider arrangement on possible

Project 2:	Investigation into the establishment of a municipal rural transportation system partnerships or out sourcing
4. Project outcome:	A regular free public transport service that covers the larger part of the rural component of the UDM area
5. Skills required:	<ul style="list-style-type: none"> • Development planner • Development economist • Transport planner • Legal support for contracting purposes
6. Timeframe:	To be determined
7. Budget	Feasibility study: R750 000 Implementation: To be determined

Capitalizing on an under developed tourism sector

Tourism is well established, recognised and to an extent coordinated in and around the UDM area. However, it was pointed out tourism is largely incidental and that there is a need to develop the area as a tourism destination in its own right. This should be based on expanding the battlefield concept and further incorporating cultural and eco-tourism into the such a strategy.

Project 3:	Integrated tourism development strategy
1. Project rationale:	Tourism is an already establish sector in the area. It is mainly private sector driven and shows potential for further investment and extension. It has a substantial potential for job creation and can directly contribute to economic development and conservation in the process.
2. Objectives:	To develop the UDM as a national and international tourism destination in its own right that offers a range of historic, cultural and eco-environmental attractions of a spectrum of people.
3. Issues to be	<ul style="list-style-type: none"> • Comprehensive feasibility study

Project 3:	Integrated tourism development strategy
addressed:	<ul style="list-style-type: none"> • The extent of current tourism • The role of the private and public sector • The extent of tourism infrastructure in terms of quality and quantity • The contribution of tourism to job creation and employment • Expanding the tourism base beyond the battlefields concept
4. Project outcome:	A joint strategy for tourism development between the private sector, UDM and the LMs
5. Skills required:	<ul style="list-style-type: none"> • Development planner • Development economist • Tourism expert
6. Timeframe:	To be determined
7. Budget	Feasibility study: R1 000 000 Implementation: To be determined

Further issues requiring attention

Notwithstanding the two projects and interventions listed above, the following issues warrants further attention:

1. The improvement of the R33. This road is the backbone of development and plays a very important and local role. This include:
 - a. The rehabilitation and upgrading of the road surface.
 - b. Urgent maintenance of the single lane bridges at Tugela Ferry and Keate's Drift.
 - c. The improvement of traffic flow through Pomeroy, Tugela Ferry and Keate's Drift.
2. The formulation of an agricultural development plan covering the commercial and traditional areas in the light of:
 - a. The fragility and sensitivity of the environment to change and degradation.
 - b. The importance of promoting food security.
 - c. The potential for job creation.
 - d. Need for extension services.

3. Revisiting the SDFs of the LMs which current do not further the aims of sustainable urban and rural development. They should be aligned to reflect and deal with more realistic growth expectation and a system of investment and development prioritisation.

Monitoring and evaluation

The SDF is the Council's response to the expected spatial changes in the local development environment. Through the IDP, the Council has set itself objectives and targets for development. The SDF provides a framework for the Council to respond to development. The key consideration is that the Council is one of a multitude of players in the environment and does not control development. It is therefore appropriate for the Council to monitor development on the broadest form but then specifically in terms of:

1. The incorporation of the recommended projects into the IDP and subsequently into the budget and the implementation thereof.
2. The impact of development of the biophysical environment. To this effect, the Council must ensure that the necessary EIAs are done when and where appropriate.
3. Settlement changes and changes in settlement patterns must be monitored. This also applies to assessing the impact of Council decisions of urbanisation, migration and settlement.
4. The impact of Council policies and decisions on the spatial integrity of the environment as outlined and described in the SDF

These four critical aspects need to be assessed annually as part of the IDP review of the Council. There is no need to create any extraordinary measures outside the day-to-day operation and management activities of the Council to meet the strategic objectives as spelled out in Section 0 of this report.

3.2 STRATEGIC ENVIRONMENTAL ANALYSIS

During August 2009, Umzinyathi District Municipality identified the need to prepare a Strategic Environmental Assessment to ensure that these unique environmental features are appropriately considered within the context of sustainable development in its area of jurisdiction. The process is primarily aimed at ensuring that environmental sustainability aspects are considered in the Integrated Development Plan and the Spatial Development Framework of the municipality. The overall objectives of the Umzinyathi SEA are to:

- Pro-actively inform development plans and programmes of the UDM, specifically the SDF as the spatial expression of the District IDP;
- Identify opportunities and constraints which the environment places on development;
- Provide information on sustainability of envisaged development as described in the District IDP and SDF
- To maintain and/or enhance the level of environmental quality of the area

Umzinyathi District Municipality will be reviewing the Strategic Environmental Assessment (SEA) during 2012/13 financial to ensure that its applications are relevant and implementable.

3.2.1 Environmental Analysis

- Landscape and Topography

State

The significant topographic differences in elevation translates into marked differences in climate, with the south, south-central and northeastern areas having a more pleasant and warmer temperature than the colder northern areas.

There are areas where slope plays a limiting role in land development potential and infrastructure provision. Slope is particularly problematic in the central area. Ideally, steeper areas should be conserved or used for ecotourism purposes, or if possible, for grazing. However, in the Umzinyathi area, the presence of steep slopes often coincides with areas characterized by rural densification. In such cases, further growth should not actively be encouraged. Growth nodes should be positioned in areas of moderate slope only, except specifically tourism growth nodes which may be positioned in areas with aesthetic or other desirable character, irrespective of slope.

The different terrain types dominant include the northwestern parts area classified as plains with open or low hills or ridges, the northern and northeastern parts as rolling or irregular page with low hills or ridges, the central part as hills or ridges and mountainous areas, and the southern parts as open low hills and ridges.

Pressures

The following pressures related to topography apply to the Umzinyathi district:

- Geomorphological change: Landscape forming geomorphological chances is constantly taking place, especially in the form of erosion and fluvial processes. Such processes are relatively rapid in the Umzinyathi area due to high rainfall and relative steep slopes.
- Mining: Mining activities caused slight impact on local/site level topography, including depressions in coal quarries, and higher elevations at adjacent overburden dumps.
- Steep topography place additional pressure on infrastructure delivery, especially the establishment of proper road infrastructure.

Impacts

The following impacts are caused by topographical factors:

- Erosion is taking place faster than geological erosion rate, mainly due to overgrazing in combination with a steep topography.
- Geographical isolation caused in some areas by steep slopes, serve as an important limiting factor in local economic development. This is especially the case in the eastern and southeastern parts of Msinga LM.
- Geology

State

A simplified representation of geological groups within the Umzinyathi area is depicted on the attached map. The Dwyka Group consists mainly of diamictite, conglomerate, sandstone, and mudrock. The Eccu Group consists mostly of sandstone, siltstone, mudstone, and shale and the Drakensberg Group of basalt. The Tugela Group consists mainly of gneiss and hornblende, pyroxenite, and gabbro, and the Natal Group of sandstone and conglomerate.

Impacts

The presence of coal led to a variety of coal mining related impacts, including a variety of socio-economic problems, acid mine drainage, dust, silt pollution, and change of surface water flow patterns. Coal mining impacts are however not as severe in the Umzinyathi area, compared to the country's major coal producing areas.

- Soils

State

The pedosphere is associated with the district. The district's soil is susceptible to water erosion. Susceptibility to water erosion depends on soil type and slope. The steeper areas are characterized by higher levels of soil susceptibility to water erosion. This information clearly indicates that the areas with the highest susceptibility to water erosion are located in the central parts of the district mostly within the Msinga and Nquthu Local Municipalities. All developments and road verges in these areas need to be serviced by proper stormwater control measures.

The district's soil susceptibility to wind erosion indicates that only the northern part of the district is moderately susceptible to wind erosion. In this area, landowners should be encouraged to establish and maintain wind screens, especially hedgerows of indigenous plants. Crop and grain farmers should be encouraged to practice agroforestry to protect their field from wind erosion. It should also be noted that no shifting sands occur within the district, however, severely degraded areas in the northeast may become susceptible to shifting sand development in the foreseeable future if wind erosion is not controlled.

It is clear that for all practical purposes, soil erosion is irreversible across large parts of the district, especially in the central areas. In these areas, erosion and resultant soil loss becomes a self-reinforcing cycle which may require geological time to recover.

Pressures

The main pressure on soil in the Umzinyathi district is subsistence agriculture. Commercial agriculture, human settlements, and forestry may also impact at a lesser scale of intensity. All these land uses contribute to accelerated stormwater runoff and exposure of soil surface, as well as soil trampling and compaction. This is particularly problematic in areas characterized by sensitive soil types.

Impacts

The following impacts on soil are relevant at a district-wide scale:

- Loss of soil structure due to trampling and compaction. This is caused mainly by agriculture and human settlement, and is a major problem in the Umzinyathi area.
- Soil exposure to wind, rain and stormwater due to removal of vegetation. This is mainly caused by crop production, overgrazing, land cleared for human settlement, and maintenance of road reserves.
- Loss of topsoil due to soil erosion.
- Leaching of soil, which reduces its fertility. Leaching is a natural occurrence, especially in those parts of the district with a relatively high

rainfall. Leaching can however be accelerated by the removal of natural vegetation, and by overgrazing.

- Reduced soil fertility due to loss of topsoil (erosion) and soil leaching.
- Silt pollution caused by soil erosion, has a severe impact on downstream aquatic biota.
- Surface Water

State

The types of surface water features found within the Umzinyathi area is summarized in Table No 7 below. The Umzinyathi area hosts a wide diversity of surface water features, with the exception of true lacustrine features and true endorheic pans.. Lacustrine features and endorheic pans are absent due to topographical conditions. Such a great diversity of water features hosts a high biodiversity of aquatic and riparian fauna and flora species. Ideally, all surface water features should be interconnected to form an extensive habitat corridor network. Habitat corridors are further discussed under the section related to ecology.

Table No 7: Types of surface water features found within the Umzinyathi area

Surface water feature type	Occurrence within municipal area	Implication for environmental planning
Manmade dams, ponds, irrigated areas	Numerous small impoundments occur.	Some potential for small scale aquaculture development. Manmade water features do not have high conservation value.
Shallow seasonal springs and seeps (including hillslope seepage that may or may not feed a channel)	Seeps occur throughout the area.	Should be avoided for infrastructure development where possible. Site assessments are required to identify seepage areas and springs on a project by project basis.
Lithologically controlled springs	Present at various locations.	Should be avoided for infrastructure development where possible. Site assessments are required to identify springs. Most existing springs are highly disturbed.
Fault-controlled springs	Present at various locations.	Should be avoided for infrastructure development where

Surface water feature type	Occurrence within municipal area	Implication for environmental planning
		possible. Site assessments are required to identify springs.
Lacustrine features (natural lakes and ponds)	True lacustrine features are absent	-
Endorheic pans and depressions (pans, flats)	True endorheic pans are absent	-
Very small surface depressions: Flat patches of few square meters in extend, which hold rainwater (only few centimeters deep) after significant rain event. Stormwater retention function only, no ecological function, no riparian or aquatic component.	Numerous depressions occur throughout the study area.	On-site surface depressions may be transformed by the development, which is not considered a significant loss. However, stormwater best management practice (BMP's) with the function of stormwater retention and purification, should be adopted to compensate for loss of small surface depressions.
Palustrine wetlands (marches, swamps, peatlands, fens, bogs etc)	Numerous palustrine wetlands occur, mainly along riparian corridors or within floodplains. The wetland map provides the location of the larger palustrine wetlands.	All palustrine wetlands should be conserved as part of a moratorium placed on development within the 1:100 year floodline.
Riverine system: perennial	Several perennial rivers cross through the municipal area.	All riparian systems should be conserved as part of a moratorium placed on development within the 1:100 year floodline.
Riverine system: non-perennial: seasonal	Several smaller non-perennial rivers occur within the municipal area.	All riparian systems should be conserved as part of a moratorium placed on development within the 1:100 year floodline.
Floodplains	A large number of smaller floodplains occur	All floodplains should be conserved as part of a

Surface water feature type	Occurrence within municipal area	Implication for environmental planning
	in the municipal area. Some floodplains e.g. at Tugela Ferry are densely populated, with negative impacts on water quality, riparian ecology, public health and flood risk.	moratorium placed on development within the 1:100 year floodline.
Valley bottom without channel	Numerous across the area	Valley bottoms without channel are worthy of conservation in case of flood risk, or in case of the presence of aquifer depended ecosystems.

The location of perennial rivers in the district is indicated on the attached map. Drainage density is relatively high due to high annual rainfall in combination with topographical factors, but is considerably moderated by relative high soil permeability.

The tertiary catchment areas provide a very valuable water regulatory function, both in terms of water quality regulation and flow regime regulation. Flow and quality regulation function should be protected in all catchment areas by sound land management practices aimed at the prevention of land degradation, particularly soil erosion. Runoff is significantly reduced in tertiary catchments V20H, U40A, U40B and U40F by afforestation (plantations). Runoff is however increased in tertiary catchments V33B, V33B, V33C, and V33D by unsustainable agricultural practices on steep slopes, at the expense of soil retention and groundwater recharge. This is a significant problem because these catchments serve an important groundwater recharge function.

There are larger and more smaller wetlands scattered throughout the district, and wetland delineation should thus be conducted at a site specific scale in case of new developments. The district is characterized by a relatively high wetland density, mainly due to the relative high average annual rainfall. All these wetlands serve highly essential flow regime regulation and water quality improvement functions, and most of them provide important groundwater recharge or discharge functions. All wetlands should be protected and every effort be made to rehabilitate currently degraded wetlands.

The water balance in the Tugela catchment is summarized in Table No 8 below (Department of Water Affairs and Forestry, South Africa. 2004. Internal Strategic Perspective: Thukela Water Management Area).

Table No 8: Reconciliation of water requirements and available water resources for the Thukela catchment for the year 2005 (million m³/a).

Key Area	Available water			Water requirements/allocations			Balance
	Local yield	Transfers In	Total	Local requirements	Transfers Out	Total	
Upper Thukela	506	0	506	114	377 + 11	502	4
Little Thukela	8	0	8	38	0	38	(30)
Bushmans	80	0	80	40	29	69	11
Sundays	8	0	8	32	0	32	(24)
Mooi	64	0	64	52	22	74	(10)
Buffalo	174	0	174	69	55	151	23
Lower Thukela	105	40	145	58	87	145	0
Total	945	0	945	430	541	971	(26)
Allocable							38

Source : DWAF, 2004

This information indicates that there is an overall negative water balance of 26 million m³/annum in the Thukela catchment (including transfers out of the catchment; mainly from the upper Thukela). The only areas with potential allocable water is the upper Thukela (4 million m³/annum), the Bushmans (11 million m³/annum), and Buffalo (23 million m³/annum).

Pressures

The following pressures on surface water resources have been identified in the Umzinyathi district:

- Reduced runoff from forestry areas occurs as a result of the high rainwater retention capability of large timber trees, as well as the ability of forest trees to abstract upper aquifer groundwater. Flow reduction are also caused by alien invasive plants in riparian areas.
- Alien fish species, especially bass and trout, have a disruptive effect on several local aquatic species.
- Increased runoff from urban and agricultural areas is caused by the absence of water retaining vegetation. The result is an increase in storm water peak flow intensity as well as increase in total annual stormwater runoff.
- Surface water pollution is caused by a variety of land uses, especially from animal concentration areas, sewage works and diffuse sources of pollution, most notably human settlement areas.

- Wetland destruction is a significant problem in the district. Proper wetland protection could serve to reduce the effects of most of the pressures mentioned above.
- Physical barriers in rivers such as weirs and dams, which reduce runoff and act as a dispersal barrier to fish and other aquatic species.
- Pressure to maintain an ecological reserve, meaning that a sufficient quantity of water should not be abstracted from rivers to enable normal aquatic and riparian ecological functioning.

Impacts

Impacts of water pollution are related to public health, impact on downstream aquatic biota, and reduced irrigation potential of polluted surface water. Wetland destruction causes a variety of impacts, including loss of flood- and flow regulation function, water purification function and local extinctions of wetland and riparian dependent species.

- Ground Water

State

The following table indicates the type of groundwater features found within the Umzinyathi area.

Table No 9: Groundwater features within the Umzinyathi area

GROUNDWATER FEATURE TYPE	OCCURRENCE WITHIN MUNICIPAL AREA	IMPLICATION FOR ENVIRONMENTAL PLANNING
Terrestrial aquifer dependant ecosystem: e.g. Camelthorn tree stands (<i>Acacia erioloba</i>)	Numerous isolated patches of aquifer dependent tree stands do occur.	Effort should be made to protect these systems. Trees associated with aquifer dependant systems are important cornerstone species.
Terrestrial aquifer dependant ecosystem: Sand forest	No true, extensive sandforest ecosystems occur	-
Aquifer characterized by primary permeability in unconsolidated material	Most dominant aquifer type, and prominent along all river courses.	Activities associated with high groundwater pollution risk should not be allowed in these areas because a pollutant plume may migrate rapidly.
In-aquifer and cave ecosystem / solution cavity aquifer characterized by	Extensive solution landscapes are absent, but small patches does occur	Although not extensive, near-surface solution formations may pose a threat of sinkhole formation. Geotechnical

secondary permeability / fissures. With or without habitat function.	in the northern section of the district.	stability studies should be conducted prior to building construction in these areas.
Aquifer characterized by secondary permeability, e.g. cooling zone in an extrusive lava	Extensive presence.	-
Aquifer characterized by secondary permeability: fractures	Common in the Umzinyathi area.	Permeability through this type of aquifer differ significantly depending on site specific presence and nature of fractures. In general, groundwater movement is relative fast therefore pollutant plumes may migrate relatively fast from source to groundwater abstraction areas, especially where fractures are present.

According to the 1:500 000 Hydrogeological Map Series of the Republic of South Africa (Department of Water Affairs), almost the entire area are underlain by aquifers which is intergranular and fractured. Borehole yield class ranges from 0.5 – 2 median liters per second across most of the area. Electrical conductivity, which serves as an indicator of groundwater quality, range from 0 – 70 mS/m in the northern and southern areas, and from 70 to more than 300 mS/m in the central area. According to the Internal Strategic Perspective: Thukela Water Management Area (DWAF 2004), the groundwater quality in the Tugela catchment is generally good, with the best quality groundwater found in the higher rainfall portions and the poorest quality found in the lower rainfall areas.

The total Dissolved Solid (TDS) content of the groundwater is generally in the range 90 to 200 mg/l, but it can rise to vary considerably more than 500 mg/l in the lower rainfall portions of the Tugela catchment. Groundwater pollution in the Tugela catchment is generally not of significant proportions and, where present, it is very localised. Significant pollution of the groundwater can be present (although also localised) in the northwest portion of the Tugela catchment (Ladysmith-Dundee-Newcastle) where underground coal mining and the dumping of mine discard material has taken place over the last 100 years or more. Present groundwater usage in the Tugela catchment is in the low to very low range in terms of the sustainability of the available resource. The interaction between groundwater abstraction and surface water flow is thought to be low in the Tugela catchment due to the generally low porosity of the rock in the Tugela catchment. Increased groundwater use should therefore not impact significantly on the surface water resource.

Pressures

The main pressures on groundwater resources of the Umzinyathi area are the following:

- Groundwater pollution by diffuse sources such as human settlements (especially sanitation), and to a lesser degree crop production.
- Groundwater pollution by point sources such as sewage works, coal mining areas and livestock concentration areas.
- Groundwater abstraction for human, agricultural and industrial use. However, this pressure is very localized and applicable to the driest areas only.
- Groundwater abstraction by alien invasive trees and afforested areas. As noted above, this is considered a pressure in the driest areas only because of ample availability of surplus groundwater.

Impacts

The main impacts of reduced water quality (due to pollution) applicable to the Umzinyathi area are:

- Health impact on groundwater users (drink water).
- Irrigation with polluted water has a negative impact on the quality and safety of irrigated crops.
- Ecological impact of polluted groundwater, affecting riparian vegetation (baseflow), seepage areas and spring areas.
- Corrosivity of certain pollutants on pipes and pumps and equipment.

The most important impacts of reduced water quantity (due to over-abstraction) applicable to the Umzinyathi area are:

- Water scarcity experienced in drier areas or areas dependent on groundwater resources.
- Drying of springs and seepage areas, as well as reduced baseflow, which may reduce surface water input even to levels below the required ecological reserve.

- Climate

State

The local climatic conditions are summarized in the table below.

Table No 10: Climate summary of the Umzinyathi District Municipality

VARIABLE	VALUE
Precipitation / rainfall	
Rainfall seasonality (season of highest precipitation)	Early summer (December) in the central areas, midsummer (January) towards the northwest and southeast
Mean Annual Precipitation	720-1100 mm, with highest rainfall in the central and southeastern areas
Monthly median rainfall: January (wettest month in central area)	60-160 mm
Monthly median rainfall: July (driest month)	10 mm (in the southeast to <5 mm (in the northwest)
Temperature	
Mean Annual Temperature	15-20 °C
Monthly means of daily maximum temperature: January (typical midsummer afternoon)	22-30 °C
Monthly means of daily minimum temperature: January (typical midsummer night)	14-18 °C
Monthly means of daily maximum temperature: July (typical midwinter afternoon)	18-22 °C
Monthly means of daily minimum temperature: July (typical midwinter night)	3-9 °C
Frost	
Median duration of frost period	1-90 days, decreasing from the northwest to the southeast
Mean number of occurrences of heavy frost	1-30 days
Relative humidity	
Monthly means of daily average relative humidity: January (most humid month)	68-73%, gradually increasing from the northwest to southeast
Monthly means of daily average relative humidity: August (least humid month)	56-68%, gradually increasing from the northwest to southeast
Solar radiation	
Monthly means of daily solar radiation: December (month with highest solar radiation)	28-31 MJ/m ² /day, gradually increase from the southeast towards the northwest
Monthly means of daily solar radiation: June (month with lowest solar radiation)	14-16 MJ/m ² /day, gradually increase from the southeast towards the northwest
Hazards: lightning and hail	
Lightning ground-flash density	9 – 3 flashes/km ² /annum, gradually decreasing from the northwest to

VARIABLE	VALUE
	southeast
Hail day frequency	1 – 4 hail occurrences per annum, gradually decreasing from west to east

Source: Schulze, R.E. 2008. South African Atlas of Agrohydrology and -Climatology. Water Research Commission, Pretoria.

Mean annual rainfall generally increase from the northwest towards the southeast In the Umzinyathi area, the higher rainfall areas are often characterized by areas with steep slopes, and erosion control is thus particularly important in these areas.

Pressures

Climate change is the main pressure to the Umzinyathi area. Although the effects of climate change on the Umzinyathi area are currently unknown, the area will probably become warmer and receive a higher annual rainfall. Droughts may become more frequent and intense. Floods are also likely to become more frequent and much more intense. Another important factor is pressure on microclimate caused by mainly overgrazing and associated desiccation of soil.

Impacts

Climate change may have important implications on all climatic variables, especially temperature and rainfall. Although the direction and degree of change is still unknown, it is expected that both temperature and rainfall may increase while the frequency and intensity of draughts and floods may increase as well. Under these conditions, parasites and disease vectors may profligate, which may have a highly negative impact on human and animal health and crop protection.

Microclimatic changes associated with overgrazing are highly significant to agriculture and food security. Soil moisture retention decreases, causing additional stress on vegetation. This cause a spiral effect and the result is a sparser vegetation cover dominated by hardy, often unpalatable plant species, causing a significant reduction in agricultural productivity.

- Air Quality

State

No data on ambient air quality data is available at present. However, it is assumed that air quality over the Umzinyathi area is negatively affected by various point and diffuse sources of air pollution.

Pressures

Air pollution is not as problematic in the Umzinyathi area compared to other parts of the country. The most important types of air pollution in the area are:

- Particulate matter, especially dust;
- SO_x, especially SO₂.

Most significant sources of air pollution include:

- Human settlement air pollution, especially during winter (smoke).
- Roads (heavy metals, hydrocarbon breakdown products, Volatile Organic Compounds/VOC's).
- Dirt roads (dust).
- Agricultural activities (dust resulting from seasonally exposed or bare soil surfaces, and from degraded areas).
- Construction activities (dust).
- Sawmill located at Umvoti Local Municipality.
- Industrial and mining facilities.

Impacts

The impact of poor air quality as experienced in the Umzinyathi area includes the following:

- Health impacts
 - Ecological impact, including reduced bioproduction
 - Structural damage
 - Impaired visibility
-
- Ecological Characteristics

Vegetation

State

There is good distribution of various vegetation types across the district. The most dominant vegetation types include the Midlands Mistbelt Grassland in the southern parts of the district around Greytown, Thukela Valley bushveld and Thukela Thorneveld in the central parts, KwaZulu Natal Highland Thornveld in the north eastern parts of the district, and Income Sandy Grassland in the northern parts.

The most dense stands of trees are limited to afforested areas (plantations), which are not regarded as ecologically sensitive.

The indigenous forest patches are mainly concentrated in the southern and eastern parts of the Umvoti LM, with isolated patches in the western parts of the eNdumeni LM, central east of Msinga LM, and in the southern parts of Nquthu LM.

Pressures

The following pressures on vegetation have been identified:

- Afforestation replaces indigenous vegetation with exotic trees. The edge effects of afforested patches extend well beyond the borders of the forested area, significantly extending the negative impact on native vegetation. The most obvious edge effect is shading.
- Land uses that are associated with land transformation, such as human settlement areas, overgrazing, crop production and infrastructure (especially roads), completely destruct the indigenous vegetation cover.
- Alien and invasive species out-compete indigenous plant species.
- Wetland destruction or drainage, as well as change in surface water flow patterns, and groundwater abstraction which may lead to reduced seepage or spring flow, have a destructive effect on wetland and riparian species.

Impacts

The impact of plant species loss or general deterioration of vegetation cover include the following:

- Co-extinctions may occur. After the host specie goes locally extinct, affiliated species (parasite or mutualist species) may become locally extinct as well. This is especially significant in case of umbrella or cornerstone species.
- Reduced vegetation cover will lead to reduced primary productivity and land carrying capacity. This may be true also if vegetation is not destructed but replaced by alien invasive species.
- Soil erosion may occur when vegetation cover is removed or reduced.
- Vegetation destruction or reduced basal coverage may cause changes in microclimatic conditions, especially is moist patches maintained by dense vegetation or large trees, are removed.

- Fauna

State

The large areas are characterized by a relatively low degree of habitat transformation. These patches should ideally remain connected to each other and to riparian corridors as well as drainage divide corridors to form an extensive habitat corridor system. The approximate position of these major dispersal corridors that occurs in the district are indicated on the attached map. There are numerous smaller corridors which provide important conservation function at a local level. The delineation of these corridors falls beyond the scope of this study.

The following information provides information on amphibian species of high conservation priority. Amphibian species are excellent indicator species as well as umbrella species – to protect these species, considerable advances will be made to protect other species as well, even if completely unrelated (not ecologically linked) to these amphibian species. The following is a listing of amphibian species with high conservation priority which occurs or may occur within the Umzinyathi area:

- *Hemisus guttatus* (Spotted Shovel-nosed Frog). The conservation status of *Hemisus guttatus* is "Vulnerable". It breeds on the edges of wetlands and rivers, especially where the gradient is slight and alluvial deposits are present.
- *Afrixalus spinifrons* (Natal Leaf-folding Frog). The conservation status of *Afrixalus spinifrons* is "Vulnerable". This specie breeds in standing water, in dense sedge beds and inundated, grassy wetlands with abundant surface vegetation. At higher altitudes, it inhabits marshes, dams, floodplains and river banks.
- *Breviceps bagginsi* (Bilbo's Rain Frog). The conservation status of *Breviceps bagginsi* is "Data Deficient". It inhabits grassy verges of roads in heavily afforested areas at altitudes of 900 - 1400 meter above sea level.
- *Cacosternum poyntoni* (Poynton's Caco). The conservation status of *Cacosternum poyntoni* is "Data Deficient". This specie inhabits natural woodland with short grass.
- *Cacosternum striatum* (Striped Caco). The conservation status of *Cacosternum striatum* is "Data Deficient". It inhabits various vegetation types within the grassland biome. Breeds in inundated wetlands, or adjacent to slow-flowing sidewaters of highland streams.
- *Natalobatrachus bonegergi* (Kloof Frog). The conservation status of *Natalobatrachus bonegergi* is "Endangered". It inhabits forest streams and pools with rocky beds, especially (but not exclusively) in ravines.
- *Pyxicephalus adspersus* (Giant Bullfrog). The conservation status of *Pyxicephalus adspersus* is "Near Threatened". This specie breeds in a variety of vegetation types, typically in seasonal shallow, grassy pans in flat, open areas, non-permanent vleis and shallow water on the margins of waterholes and dams.
- *Strongylopus wageri* (Plain Stream Frog). The conservation status of *Strongylopus wageri* is "Near Threatened". It inhabits vegetation and stones on the banks of clear streams and pools.

(Source: interpreted from Minter, L.R., M. Burger, J.A. Harrison, H.H. Braack, P.J. Bishop, and D. Kloepfer, Eds. 2004. Atlas and red data book of the frogs of south Africa, Lesotho and Swaziland. SI/MAB Series nr. 9. Smithsonian Institution, Washington, DC)

Pressures

The following pressures may cause pressure on animal populations, which may even lead to local extinctions:

- Illegal hunting or poaching
- Habitat loss
- Habitat degradation
- Habitat modification
- Habitat fragmentation
- Damming of water courses
- Modification of the natural flow regime in water courses
- Overgrazing
- Afforestation
- Alien invasive plants
- Water pollution
- Fire, or modification of the natural fire regime
- Road mortalities
- Climate change
- Depletion of stratospheric ozone (increased UV-B, decreasing survival of embryos and tadpoles)

Impacts

The impact of animal species loss is complex and depends on the ecological role of each of the specific species under consideration. The following impacts may occur:

- Co-extinctions may occur. After the host species goes locally extinct, affiliated species (parasite or mutualist species) may become locally extinct as well.
- Habitat fragmentation is caused by road networks and agricultural land which are transformed. The impact of fragmentation is destruction of metapopulation dynamics with resultant local extinctions.

- Conservation

Current State

The extent of the conservation areas is not sufficient to protect the biodiversity of the district. More areas should be formally conserved, and these conserved areas should also be linked to the suggested habitat corridor system, including riparian corridors and drainage divide corridors. This will aid in the maintenance of metapopulation dynamics within these small, isolated protected areas.

Pressures

The following pressures act upon conservation in the Umzinyathi district:

- Conservation has to compete with a variety of other land uses, most notably human settlement, agriculture and forestry.
- Illegal hunting or poaching have a negative impact on areas that are well conserved.
- Animal or plant disease spread from adjacent areas into conserved areas, mainly along riparian corridors and road verges.
- Climate change may lead to extinction of a large number of species. The most vulnerable are highly specialized and niche dependant species, less mobile species, and species with a narrow tolerance regarding climatic patterns.
- Rural densification, resulting in increased reach and intensities of human settlement related impacts.

Impacts

The impact of an insufficient network of conserved areas includes the following:

- Loss of habitat of species, which will lead to local extinctions.
- Disruption or isolation of metapopulations, which will lead to local species extinctions. Several dispersal barriers were established within the Umzinyathi district, including the road network and all settlement areas.

- Land Use

State

The dominant land use patterns can broadly be summarized as follows:

- The northwestern parts of the study area in the Endumeni LM is mostly characterized by unimproved grassland areas and commercial and irrigated commercial farming activities.

- The northern and northeastern parts of the study area (Nquthu LM) is mainly classified as areas consisting of degraded grass lands and subsistence dry land farming activities.
- The central parts of the municipality in the Msinga LM mainly consist of unimproved grassland areas in the northern parts of the local municipality and degraded woodlands and bushland in the central and southern parts.
- The southern part of the municipality in Umvoti LM is mainly characterized by significant areas of forest plantations, as well as significant dry land and irrigated commercial agricultural activities.

Of particular importance from an environmental perspective is the large part of the northeast and central parts of the district which is classified as degraded areas (see attached thematic map). Large parts of Nquthu LM is described as degraded unimproved grassland and the central and southern parts Msinga LM as degraded bushland or grassland. The occurrence of dongas and sheet erosion scars is also prevalent across large parts of the municipality especially the northeastern and northwestern parts. These characteristics are further summarized in the disturbed areas as indicated on the attached thematic map.

Impacts

The following impacts are caused by land use factors:

- Agriculture is a main land use in the Umzinyathi area. The local agricultural sector cause several impacts on the biophysical environment, including soil degradation, introduction and spread of alien and invasive species, habitat destruction, resource consumption, waste generation, and soil and water pollution.
- Forestry is a major land use in the south of the Umzinyathi area. Impacts caused by forestry include soil erosion, silt pollution, habitat destruction, and water consumption. Positive impacts include carbon sequestration, amenity value and positive aesthetic impact.
- Settlement areas (towns and rural settlement areas) cause a variety of impacts on the environment, including soil erosion, increased stormwater flow and flood peak intensity, and habitat destruction.
- Environmental Governance
 - The municipality has personnel to deal with Environmental programmes and projects in a form of Local Government Support from the Department of Environmental Affairs

- Financial allocation: budget from Equitable Share and EPWP projects funded by the Department of Environmental Affairs, and projects under implementation are as follows:
 - Development of two regional waste sites
 - KZN Alien Plant Clearing
- The following sector plans are in place:
 - Integrated Waste Management Plan – to be reviewed during 2012/13 financial year
 - Strategic Environmental Assessment – to be reviewed during 2012/13 financial year
- The municipality have the following by-laws:
 - Water by-laws – in a process of being advertised for public comments
- Environmental by-laws - Have been approved by Council, public engagements to be held for public comments. There after the by-laws will be gazzeted.
- Other plans which require development but they fall are unfunded mandate are as follows:
 - Environmental Management Framework;
 - Air Quality Management Plan.
- Date Sets
 - DWA. 2004. Internal Strategic Perspective: Thukela Water Management Area
 - DWA. Hydrological Map Series of Republic of Southern Africa
 - South African Atlas of Agrihydrology and Climatology. Water Research Commission, Pretoria
 - SANBI database
 - Atlas and Red data book of the frogs of South Africa, Lesotho and Swaziland
- **National Arbor Week – 1-7 September 2012**

Arbor week will be commemorated through conducting awareness programmes for different communities with the main message being planting of trees and having vegetable gardens. Communities will be encouraged to have gardens at their homes and the municipality would assist with seeds.

3.2.2 Strategic Management Recommendations

The Strategic Environmental Assessment provides the sustainable development framework for the Environmental Management Plan and consists of objectives and management for each of the identified significant issues. These objectives and management recommendations are provided for each of the identified significant issues under the biophysical, social and economic components.

AGE AND GENDER STRUCTURE		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
The high unemployment rate resulting from a lack of economic activities and the limited economic base of the district results in many male household members leaving the district in search of employment and income generating activities in other areas.	<ul style="list-style-type: none"> • Ensure sensitivity to gender issues in spatial and environmental planning • Ensure recognition of the role of women in environmental management and development processes 	<ul style="list-style-type: none"> • Ensure that gender equity is recognised in the IDP process. • Ensure that local spatial and environmental policy frameworks are gender sensitive. • Define the impact of the IDP strategies and capital investment on women.
The extent of the population in the school going age (more than 40%) implies a significant need for educational facilities and ensuring improved access to these facilities.	<ul style="list-style-type: none"> • Ensure sufficient and strategically located educational facilities across the district • Upgrade the basic infrastructure at existing education facilities 	<ul style="list-style-type: none"> • Implementation of the Spatial Development Framework must improve access of the population to education facilities
The erosion of the population in the economically active age categories (specifically between 25 and 35 years of age) implies that the district is losing part of its population which is normally regarded as the segment of the population making a significant contribution to the local economy	<ul style="list-style-type: none"> • Prioritise the implementation of the local economic development strategy to contribute to the retention of the economically active population of the district 	<ul style="list-style-type: none"> • Prioritise programmes that will ensure the use of local labour for the implementation of capital projects, especially those identified in the IDP • Maximise involvement of the district in poverty alleviation and employment creation projects of the Expanded Public Works Programme • Identify opportunities for employment creation in environmental projects (eg working for water, land care projects, etc)
Impact of HIV/AIDS on population structure	<ul style="list-style-type: none"> • Intensify HIV/AIDS awareness and prevention campaigns in the district. • Ensure sufficient and appropriately located cemeteries 	<ul style="list-style-type: none"> • Institute programme to monitor the level of community awareness. • Develop integrated programme for the provision of health facilities, including clinics, mobile clinics and HIV/Aids support centres

		<ul style="list-style-type: none"> Undertake an audit of the capacity and status of cemeteries in the district
EDUCATION PROFILE		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
The very large proportion of adult illiterate population in the district limits the economic development potential and successful implementation of LED strategies in the district.	<ul style="list-style-type: none"> To intensify the implementation of ABET initiatives in the district 	<ul style="list-style-type: none"> Ensure sufficient access to basic services to enhance the educational opportunities of all individuals. Ensure sufficient investment in ABET infrastructure
Low illiteracy levels and limited proportion of population with tertiary education imply that the transfer of knowledge and skills relating to more environmental sustainable livelihood practices and technologies may be compromised	<ul style="list-style-type: none"> To identify sustainable basic infrastructure technologies, appropriate to rural areas that can be implemented in the district To increase the general awareness of environmental issues and sustainable development concepts amongst the general population in the district, especially the youth 	<ul style="list-style-type: none"> Undertake a study of all possible sustainable development technologies that could be considered for implementation in the district, specifically in the implementation of the IDP capital projects Liaise with Department of Education and DAEA & RD to introduce basic environmental awareness and sustainable development programs in schools
ACCESS TO WATER AND SANITATION INFRASTRUCTURE		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
High number and proportion of households without access to basic water and sanitation infrastructure	<ul style="list-style-type: none"> To provide all households with basic water infrastructure at the minimum required level of service To formulate a phased upgrading program for sanitation infrastructure based on the recommendations of the Spatial Framework and the IDP priorities 	<ul style="list-style-type: none"> Provide basic water and sanitation infrastructure according to the proposals of the district SDF and the capital investment programme outlined in the IDP Determine the impact on total water demand of improved sanitation systems Institute a ground water quality monitoring system in areas with high density of unimproved pit latrines and borehole utilization

		<ul style="list-style-type: none"> Quantify the potential additional sewage volume if the existing sanitation infrastructure is to be upgraded and the ability of the existing treatment works to accommodate this additional flow
Limited availability of bulk water infrastructure in many parts of the district, and impact of topography in the district on the development of water and sanitation infrastructure networks	<ul style="list-style-type: none"> To quantify the expected future demand for water over a 10 year period for the entire municipal area and associated water requirements from existing bulk water sources 	<ul style="list-style-type: none"> Water upgrading and supply must not have any detrimental impact on the local environment and therefore uncontrolled utilization of boreholes and over utilization of ground water will be detrimental to the environment in terms of sustainable utilization To identify potential alternative sources for the long term water supply to cater for potential future developments in the municipality
Availability of water resources (both surface and ground water) to ensure provision of sufficient volume and quality of water at minimum level of basic services to all households.	<ul style="list-style-type: none"> To protect surface and groundwater resources and implement catchment management strategies 	<ul style="list-style-type: none"> Quantify the expected future demand for water over a 10 year period for the entire municipal area and associated water requirements Determine capacity of existing water resources to provide required volume of water
Socio-economic and health impacts of large proportion of households without access to basic sanitation infrastructure.	<ul style="list-style-type: none"> To reduce the occurrence of water borne disease 	<ul style="list-style-type: none"> Consider the implementation of alternative environmentally friendly infrastructure options such as the "Lilliput " Enviro Loo system.

ACCESS TO ELECTRICITY		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Impact on ambient air quality resulting from the extensive use of fossil fuels for heating and cooking purposes.	<ul style="list-style-type: none"> To institute a municipal wide electrification program to ensure all households have access to electricity for basic lighting, cooking and heating purposes 	<ul style="list-style-type: none"> All settlements and areas currently without electricity should be clearly identified and targeted to form part of the electrification program as soon as possible Provide information on alternate cooking and food preservation methods (solar ovens, storing food below ground, dehydrating food for e.g.).
Environmental impact on natural vegetation resulting from the use of wood for heating and cooking purposes.	<ul style="list-style-type: none"> To implement a phased implementation program to ensure that all households are provided with access to basic electricity for lighting and cooking purposes. To implement the free basic electricity policy of the municipality To develop and implement an information and capacity building campaign amongst local communities regarding the protection of indigenous trees and vegetation. 	<ul style="list-style-type: none"> All settlements and areas currently without electricity should be clearly identified and targeted to form part of the electrification program as soon as possible. Training and capacity building programs should be undertaken, specifically in those communities without electricity, regarding the protection of indigenous trees and vegetation Ensure that woodlots are located in close proximity to areas in which firewood and building materials are required. Provide alternatives to wood as a fuel source – wind, solar, biogas, electricity, compacted newspaper. Provide information on alternate cooking and food preservation methods (solar ovens, storing food below ground, dehydrating food for e.g.).

ACCESS TO WASTE DISPOSAL		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Limited capacity of municipalities to provide refuse removal services in extensive populated rural areas.	<ul style="list-style-type: none"> • To investigate the viability and feasibility of a community based municipal waste collection program and introduction of community waste management centres • Implement an awareness campaign to encourage efficiencies in resource use and waste reduction through education, recycling, reuse, waste recovering, and responsible disposal. • To quantify the exact human resource and equipment requirements of the municipality to deal with the total waste volume within the area • To prepare a business plan for acquiring and maintaining the necessary equipment and resources in line with the recommendations of the Integrated Waste Management plan 	<ul style="list-style-type: none"> • Plan and implement a pilot community based waste collection and management program in a pilot area within the municipal currently not provided with waste collection services • Replicate this concept if the feasibility and viability thereof can be confirmed • Investigate the possibility of outsourcing the service by involving local entrepreneurs and residents in order to create business opportunities. • Development of partnerships with Community based Organisations and Non Government Organisations involved in environmental programmes. • Prepare a detailed business plan for waste collection and management within the municipality which details equipment and human resource requirements
Limited formalized and registered landfill sites in the district.	<ul style="list-style-type: none"> • To institute a process for identifying a potential new municipal landfill site or alternatively consider the viability of a district wide landfill site • To upgrade the facilities at existing landfill sites (e.g. fencing, access control etc.) to satisfy all legal requirements regarding the operation of municipal landfill sites 	<ul style="list-style-type: none"> • Develop and implement a basic waste information system within municipality to keep record of the volumes of waste collected and disposed of by the municipality at municipal landfill sites. • Keep a register of all waste related complaints received by the municipality. • Undertake a full audit of all formal and

	<ul style="list-style-type: none"> To initiate the necessary processes to permit informal waste disposal sites within the municipality where feasible 	<p>informal waste disposal sites within the municipality in terms of the various criteria required in terms of the legislative requirements for landfill sites.</p> <ul style="list-style-type: none"> Prepare an action program for the formalization of informal land fill sites or alternatively for the closure and rehabilitation thereof Initiate a process to identify a new municipal land fill site for the municipal area Formalise or close existing waste disposal sites that are not permitted Develop a waste minimisation and recycling plan for the district Provide recycling facilities for paper, glass, plastic, and tin at all major public institutions and commercial facilities. .
Negative impacts on ambient air quality resulting from burning of waste in informal waste dumps	<ul style="list-style-type: none"> To strictly enforce all municipal bylaws relating to illegal dumping of waste within the municipality 	<ul style="list-style-type: none"> Assist and evaluate existing municipal by-laws to determine whether waste management and illegal dumping is dealt with. Amend, or alternatively prepare, necessary by-laws and approve by council.
Visual impact of informal disposal of waste.	<ul style="list-style-type: none"> To implement a litter control programme. To strictly enforce all municipal bylaws relating to illegal dumping of waste within the municipality 	<ul style="list-style-type: none"> Assist and evaluate existing municipal by-laws to determine whether waste management and illegal dumping is dealt with. Amend, or alternatively prepare, necessary by-laws and approve by council.

HOUSING		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Extent of housing structures in settlements located on steep slopes and within potential flood areas.	<ul style="list-style-type: none"> To ensure appropriate location of housing development in terms of floodlines and topography 	<ul style="list-style-type: none"> The location of wetlands and endangered species will be considered during the planning and design of housing developments. The quality of houses provided in housing will ensure environmentally and socially acceptable living conditions.
Potential extent of land required for housing provision purposes.	<ul style="list-style-type: none"> Inappropriately located developments will not be permitted. 	<ul style="list-style-type: none"> Identify appropriately located land for housing purposes taking due cognisance of environmentally sensitive features and the housing needs identified in the IDP
Relatively low residential development density and dispersed spatial structure resulting in larger development footprint area.	<ul style="list-style-type: none"> Promote compact settlement patters and increased housing densities within the ambit of local circumstances 	<ul style="list-style-type: none"> Ensure that SDF's promote compact settlement patterns
CULTURAL & HERITAGE RESOURCES		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Impacts of uncontrolled development on cultural and heritage resources of the district	<ul style="list-style-type: none"> Protect heritage resources and incorporate into management plans To determine the restoration and protection/management requirements of each known cultural or heritage sites within the district To prepare and enforce the necessary municipal bylaws for protection and management of known cultural or heritage sites 	<ul style="list-style-type: none"> Undertake a detailed study and assessment of all cultural and heritage resources in the district and the upgrading, restoration and management requirements of these. Evaluate existing municipal by-laws and determine whether provision is made for the protection of cultural and heritage sites within existing by-laws. If not, prepare the necessary municipal by-laws and adopt by

	<ul style="list-style-type: none"> • Liaise with Amafa and prepare the necessary agreements for the conservation, improvement and management of clearly defined heritage resources in the municipal area • To initiate a community liaison program to assist the local municipality with the identification of any further Class III heritage resources in the municipal area 	<ul style="list-style-type: none"> • council • Municipalities should initiate a ward based community interaction program whereby further sites of cultural and heritage importance which could be classified as category 3 heritage resource within the municipality area can be identified • Explore opportunities in both cultural and ecological tourism in the region.
LANDSCAPE & TOPOGRAPHY		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
A complex topography (rolling hills and mountains) across large sections of the district has an aesthetic appeal and holds considerable tourism development potential.	<ul style="list-style-type: none"> • To introduce appropriate stormwater management and planning practices • To adhere to all flood line areas to ensure that residential and other development are located outside flood areas • The flood lines of water bodies must not only be respected from a flood precaution perspective, but these areas also contain sensitive species. 	<ul style="list-style-type: none"> • Ridges and high lying areas should be regarded as sensitive area. Where possible, development should be limited. • Development on slopes greater than 8° should be avoided. • Developments on slopes and steep areas to be avoided where possible and to follow suitable mitigation measures as identified for high lying areas. • Tourism and agricultural activities in the mountainous areas must respect the limitations brought about by the topography. This aspect must be emphasized during the EIA process as the destabilization of slopes will be detrimental to the environment in terms of erosion and slope failure.
Steep topography, in combination with unsustainable farming practices causes accelerated erosion, especially in the central and southern parts of Msinga LM, and the		<ul style="list-style-type: none"> • Erosion control measures should be implemented in the targeted areas by means of agricultural interventions (including agricultural extension programs

central and northern parts of Nquthu LM. Gully formation (due to soil erosion) progressed to an advanced state across the district		<p>and facilitation of transformation to sustainable agriculture).</p> <ul style="list-style-type: none"> • Areas susceptible to erosion (such as slopes and steep areas) should be regarded as sensitive and development limited in these areas. • All developments in areas susceptible to erosion must consider appropriate stormwater runoff control measures. • Implement measures to control soil erosion from developments, particularly during the construction phase
GEOLOGY AND SOILS		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
The presence of coal led to a variety of coal mining related impacts, including a variety of socio-economic problems, acid mine drainage, dust, silt pollution, and change of surface water flow patterns.	<ul style="list-style-type: none"> • Ensure that all appropriate environmental legislation are adhered to in prospecting and mining activities • Identify all known existing mineral deposits located within the high priority habitats and high biodiversity areas and recommend appropriate management measures • No mining activities will be allowed without the required permits and an environmental management plan • Compliance with specified regulations and EMP requirements will be enforced. • To identify and monitor all waste and by-products generated by existing mining operations to determine the impact thereof on soil, water and air quality within the municipality 	<ul style="list-style-type: none"> • Identification and prosecution of illegal mining and quarrying operations. • Ensure compliance with EMP requirements by establishing an effective monitoring body. • Strict monitoring of water quality downstream of operations (eg. dissolved oxygen, suspended sediment loads). • Monitor the rehabilitation of mining sites once operations are terminated • Monitor compliance with terms and conditions of mining permits and EMP's • The waste quantities must be specified and concurrent rehabilitation on impacted environment must be enforced and regulated. • EMP's of mines must be pro-actively

		<p>managed and updated and public input must be encouraged.</p> <ul style="list-style-type: none"> Representatives of the Umzinyathi LM must attend annual public meetings.
Loss of soil structure due to trampling and compaction caused mainly by agriculture and human activities	<ul style="list-style-type: none"> To implement education and awareness programs regarding preventative measures that can be employed to prevent soil erosion. 	<ul style="list-style-type: none"> Environmental awareness could be extended to farmers of the region. There is a large database of land quality and soil type for the different bioregions. Identify more sustainable farming practices and thus possibly improve yield.
Loss of topsoil (erosion) and soil leaching.	<ul style="list-style-type: none"> Rehabilitation of damaged and degraded areas. Reduction and ultimately prevention of soil erosion in the district 	<ul style="list-style-type: none"> Protection and rehabilitation of soil resources (to support the range of agricultural activities in the area, and consequently food resources). Areas susceptible to erosion (such as slopes and steep areas) should be regarded as sensitive and development limited in these areas. All developments in areas susceptible to erosion must consider appropriate stormwater runoff control measures. Implement measures to control soil erosion from developments, particularly during the construction phase
SURFACE WATER		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Reduced runoff from forestry plantations occurs as a result of the high rainwater retention capability of large timber trees, as well as the ability of forest trees to abstract upper aquifer groundwater. Flow reduction is	<ul style="list-style-type: none"> Limit development or change in land use within a reasonable buffer zone of a water resource, including wetlands and drainage lines. Reduce alien vegetation in riparian zones 	<ul style="list-style-type: none"> Ensure implementation of sustainable forestry principles Integrate the 'Working for Water Program' as part of the alien and invasive vegetation control management programs.

also caused by alien invasive plants in riparian areas.		<ul style="list-style-type: none"> • Include the local community in eradication programs as an economic empowerment project.
Reduced water quality resulting from inadequate sanitation infrastructure	<ul style="list-style-type: none"> • To implement an ongoing water quality monitoring system of all sewage effluent discharged by all treatment works • To formulate a phased upgrading program for sanitation infrastructure based on the recommendations of the Spatial Framework and the IDP priorities 	<ul style="list-style-type: none"> • Determine all the source points contributing to declining water quality and set target objectives to minimize the impact on the health of this system. • Bioaccumulation studies should be conducted on sediments, fish and birds hosted by the dam to derive benchmark values for contamination. • Support the implementation of basic sanitation infrastructure projects
Increased runoff from urban and agricultural areas is caused by the absence of water retaining vegetation. The result is an increase in storm water peak flow intensity as well as increase in total annual stormwater runoff.	<ul style="list-style-type: none"> • To monitor the potential impact of commercial agriculture activities in the river catchment areas • To manage all wetlands and riparian zones along the river system in the district, specifically relating to erosion and cutting of vegetation and trampling caused by cattle and goats 	<ul style="list-style-type: none"> • Implementation of best practice environmentally sensitive storm water management systems. • Water utilization training initiative should be initiated to train the local communities on water utilization.
Impacts on wetlands resulting from various forms of development	<ul style="list-style-type: none"> • To develop appropriate guidelines for the management and development around all wetland areas • Develop a research and information management program for wetland areas in the district • Ensure proper protection of wetlands to reduce the effects of development pressures 	<ul style="list-style-type: none"> • Wetlands and its tributaries act as environmental sieves and sponges and its value should be quantified. Set out research initiatives to locate all wetland systems in the district and do in depth biodiversity studies to determine the ecological value of these areas • Strict policy for protection of wetlands from development and rehabilitation of degraded wetlands to improve water quality, water

		flow regulation and habitat provision at a regional scale.
Physical barriers in rivers such as weirs and dams, which reduce runoff and act as a dispersal barrier to fish and other aquatic species.	<ul style="list-style-type: none"> • Limit physical barriers in all rivers and water courses 	<ul style="list-style-type: none"> • Ensure that all legal requirements in terms of environmental authorization and water use licences are enforced for all infrastructure in water courses
GROUND WATER		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Groundwater pollution by diffuse sources such as human settlements (especially resulting from inadequate sanitation infrastructure), and to a lesser degree crop production; and pollution by point sources such as sewage works, coal mining areas and livestock concentration areas	<ul style="list-style-type: none"> • To institute an ongoing ground water quality monitoring system, specifically in those areas utilizing boreholes for potable water supply • To implement a phased upgrading program for sanitation infrastructure, focusing specifically in those areas with a high concentration of boreholes used for potable water supply 	<ul style="list-style-type: none"> • Water reticulation still a major priority in the area and efforts to supply potable water service to all communities should be a priority • All new developments must consider their impact on regional water quality. • Location of potentially polluting activities of infrastructure, especially waste disposal sites and cemeteries and settlement areas, should carefully consider geohydrological conditions during site selection. • Institute a long term monitoring program that allows specific identification of water pollution sources
Groundwater abstraction for human, agricultural and industrial use.	<ul style="list-style-type: none"> • To monitor the abstraction and utilization of all groundwater resources • To quantify the long term water demand of all consumers currently using boreholes 	<ul style="list-style-type: none"> • Regulate the utilization of ground water in the area as allowed for by the specific permits adjudicated. Satellite technology can be applied to assess the groundwater utilization status in agricultural practices. • Develop contingency plans for periods of drought with emphasis on communities reliant on borehole water

		<ul style="list-style-type: none"> Investigate different water availability scenarios for the next 20 years following rainfall, recharge and evaporation data and expected consumer pressure and plan realistically for future utilization
CLIMATE AND AIR QUALITY		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Climate change may have important implications on all climatic variables, especially temperature and rainfall. Although the direction and degree of climate change and its impact at a local level is still unknown, it is expected that both temperature and rainfall may increase while the frequency and intensity of droughts and floods may also increase	<ul style="list-style-type: none"> To monitor annual variances in rainfall and temperature and evaluate the impact thereof on agricultural activities within the municipal area To assess the likely impact of severe climate conditions such as thunder storms, lightning and hail in summer periods viz-à-viz the disaster management plan of the municipality Industries will be located in the best possible areas for particular emissions, and the emissions will be strictly curtailed and monitored according to the accepted protocols. Use alternative energy sources where practical and feasible 	<ul style="list-style-type: none"> Scenarios of the possible impacts of climatological extremes on the current infrastructure, housing and response and emergency services should be analyzed Development planning, agriculture practices and resource use should include actions to manage the existing and predicted effects on climate change, including impacts on temperature, rainfall and water availability. Effective measures for the management of droughts and floods to be developed and implemented where required. Drought resistant crops to be investigated where needed. Planning for future industrial development needs to consider meteorological conditions, the cumulative effects of adding emissions and the assimilative capacity of the atmosphere for additional air pollution loading when considering industry type and location
Impacts on ambient air quality resulting mainly from human settlement air pollution, especially during winter (smoke), traffic	<ul style="list-style-type: none"> Use alternative energy sources where practical and feasible To prepare an Air Quality Management 	<ul style="list-style-type: none"> Consider the impact of predominant wind direction on the location and development of land uses e.g. the provision of industrial

<p>(heavy metals, hydrocarbon breakdown products, Volatile Organic Compounds/VOC's), dirt roads (dust), and agricultural activities (dust resulting from seasonally exposed or bare soil surfaces, and from degraded areas).</p>	<p>Plan as required by National Environmental Management: Air Quality Act and include this plan as part of the municipal IDP</p> <ul style="list-style-type: none"> • To institute a municipal wide electrification program to ensure all households have access to electricity for basic lighting, cooking and heating purposes • To initiate a process to determine and evaluate the ambient air quality in the municipal area 	<p>areas, landfill sites and other facilities which may generate emissions or smells.</p> <ul style="list-style-type: none"> • Air quality assessment must be conducted on a regular bases to derive benchmarks whereby air quality trends can be assessed. The assessment should be done at several random areas surrounding source points. • The municipality must prepare an Air Quality Management Plan for its area of jurisdiction and adopt it as part of its Integrated Development Plan • An official of the municipality should be identified and designated as municipal Air Quality Management Officer
<p>Indoor air pollution is likely to stay problematic because of the proportion of households without electricity.</p>	<ul style="list-style-type: none"> • Ensure access to basic electricity for all households • Use alternative energy sources where practical and feasible 	<ul style="list-style-type: none"> • Encourage the use of fuel efficient wood stoves and heaters to combat indoor air pollution amongst poorer households. • Rural electrification, including the potential use of solar photovoltaic systems for more isolated communities, to be evaluated.

BIODIVERSITY (VEGETATION AND FAUNA)		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Impact of land uses associated with land transformation, such as human settlement areas, crop production and infrastructure (especially roads) on natural vegetation and fauna	<ul style="list-style-type: none"> • Prevent the loss of indigenous vegetation communities and habitats due to inappropriate land transformation activities • To formulate appropriate development and management guidelines for all areas classified as environmentally sensitive within the municipality • To confirm biodiversity information and where necessary, collect and verify data for the high priority habitats and high hyper diversity areas on an ongoing basis • To implement a system to monitor the actual occurrence of endangered, vulnerable and rare species ("key species" which indicate ecological integrity) in Umzinyathi • To formulate clear guidelines to consider endangered, vulnerable and rare species in all development application/proposals within the Umzinyathi DM • To provide a list of possible red data species per habitat type within the District for consideration in all planning and development applications • To identify the location and distribution of existing plants used for medicinal purposes • To prepare guidelines on the harvesting and utilization of medicinal plants 	<ul style="list-style-type: none"> • Develop a detailed strategy to preserve indigenous grasslands and consider in the identification of IDP project planning where possible. • The location of all projects identified in the IDP should consider the identified environmentally sensitive areas • Annual monitoring of fixed points as well as spot checks in the broader area. Mark all occurrences of rare and endangered species (GPS) (especially vegetation) and follow up its existence in following years • A program to cultivate rare and endangered vegetation species should be initiated and the community should be included. • An inventory of popular medicinal plants must be drawn up and efforts to commercially produce these species must be encouraged. • Training and education on the implication of overexploitation of medicinal plants must be conducted with the local communities. • All EIA's for developments to consider their potential impact on Red Data species. • Developments should be avoided in areas that contain Red Data Species.

Wetland destruction or drainage, as well as change in surface water flow patterns, and groundwater abstraction which may lead to reduced seepage or spring flow, have a destructive effect on wetland and riparian vegetation species.	<ul style="list-style-type: none"> • No development or transformation of land in or around wetlands • Decrease the risk of flooding, and ensuing damage to people and property, which results from loss of indigenous vegetation. • Reduce soil erosion and siltation of wetlands 	<ul style="list-style-type: none"> • Compile an inventory of wetlands in the district • Compile guidelines for the protection of all wetland areas • Co-ordinate activities of water users and of water management institutions within its water management area.
Reduced vegetation cover leading to reduced primary productivity and land carrying capacity.	<ul style="list-style-type: none"> • Maintain and where possible increase natural vegetation cover 	<ul style="list-style-type: none"> • A 'greening' programme in urban and rural areas to provide shade, erosion protection, and beatification
Alien invasive vegetation is well established and occurs widely in the district.	<ul style="list-style-type: none"> • Protect and enhance regional biodiversity. • Reduce loss of water resource through alien invasive vegetation. • To prepare a detailed plan indicating the spatial distribution and occurrence of alien weeds and invasive plant species across the municipal area • To prioritize areas for removal of alien plants and invader species • To prepare an invader species monitoring control and eradication plan for all municipal land in accordance with the requirements of the National Environmental Management: Biodiversity Act of 2004 	<ul style="list-style-type: none"> • Prepare and adopt an Invasive Species Monitoring, Control and Eradication Plan that is integrated and aligned with the IDP • Prioritize areas for eradication which is accessible and degrading tourism as well as agricultural value. • Integrate the 'Working for Water Program' as part of the alien and invasive vegetation control management programs. • Include the local community in eradication programs as an economic empowerment project. • Landowners educated and empowered considering their mandate to clear Category 1 invasives on their land.

LAND USE AND ECONOMIC STRUCTURE		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
Impact of Inappropriate farming practices on the biophysical environment, including soil degradation, introduction and spread of alien and invasive species, habitat destruction, resource consumption, waste generation, and soil and water pollution.	<ul style="list-style-type: none"> • Introduce an appropriate soil conservation and management program • To control the utilization of agricultural resources in terms of the conservation of Agricultural Resources Act to ensure the conservation of soil, water resources • To monitor the abstraction and utilization of ground water for commercial irrigation purposes • Implement region-wide knowledge and implementation of sustainable agricultural practices to include cropping practices, grazing methods, stocking density, burning regimes etc. • To introduce a support program for the appropriate management of subsistence farming activities 	<ul style="list-style-type: none"> • Education and training on farming practices for subsistence farming must be addressed as a priority • A soil degradation priority index must be established and soil stabilization projects must be carried out following a program based on these priority areas • The suitability of soils for irrigation purposes and the water availability for this activity must be investigated and a report on the long-term viability thereof must be prepared.
The most significant impacts of forestry as a land use in the district include habitat destruction and water consumption. Positive impacts include carbon sequestration, amenity value and positive aesthetic impact.	<ul style="list-style-type: none"> • Confine forestry to designated areas outside environmental sensitive areas. 	<ul style="list-style-type: none"> • Identify potential areas for forestry development in district SDF taking due cognizance of environmental sensitive areas.
Settlement areas (towns and rural settlement areas) cause a variety of impacts on the environment, including soil erosion, increased stormwater flow and flood peak intensity, and habitat destruction and fragmentation.	<ul style="list-style-type: none"> • Promote compact settlement patterns in district and municipal SDF's. 	<ul style="list-style-type: none"> • Urban densification to be encouraged in conjunction with the curtailment of urban sprawl. • Development on ridges and steep slopes to be discouraged where possible. • Buffer zones to be maintained in the vicinity of river, particularly along the riparian

		<p>zones.</p> <ul style="list-style-type: none"> • Avoid urban development within the identified environmental sensitive areas.
<p>The Wholesale, Retail and Tourism Sector is one of the key contributors to economic production and employment in the district. The natural and cultural resource base of the district plays an important role in realizing this contribution.</p>	<ul style="list-style-type: none"> • Continued growth and exploitation of the Tourism Sector will have to be sensitive to the use of available natural resources. • To conserve the unique historical/cultural significance of the area. • To enhance the educational potential of the district tourism sites. 	<ul style="list-style-type: none"> • Formulate and implement a tourism development strategy. • Identify skills required by the hospitality industry and supply skills development for local residents in this field, to improve service to tourists. • Establish a comprehensive tourism assets data base.
<p>Environmental impacts (eg. air and water quality) resulting from manufacturing and mining activities</p>	<ul style="list-style-type: none"> • Monitoring and control of air pollution as well as the implementation of education programmes to enlighten people regarding the potential threats that air pollution may have on both the environment and human health. • To ensure that all appropriate environmental legislation are adhered to in prospecting and mining activities. • To identify all known existing mineral deposits located within the high priority habitats and high biodiversity areas and recommend appropriate management measures. • Enforce compliance with specified regulations and EMP requirements. • To identify and monitor all waste and by-products generated by existing mining and manufacturing operations to determine the 	<ul style="list-style-type: none"> • Strict monitoring of water quality downstream of mining and manufacturing operations (eg. dissolved oxygen, suspended sediment loads). • Monitor the rehabilitation of mining sites once operations are terminated. • Monitor compliance with terms and conditions of mining permits and EMP's. • The waste quantities must be specified and concurrent rehabilitation on impacted environment must be enforced and regulated. • EMP's of mines must be pro-actively managed and updated and public input must be encouraged. • Representatives of the District and Local municipalities must attend annual public meetings. • Monitor the disposal of hazardous waste

	impact thereof on soil, water and air quality within the municipality.	from mining activities. This must be disposed of at an appropriate landfill site, No hazardous landfill site occur in Umzinyathi DM.
UNEMPLOYMENT AND AFFORDABILITY		
ISSUES	OBJECTIVES	MANAGEMENT RECOMMENDATIONS
High levels of unemployment and limited economic activities prevalent across the district, especially in the central and north eastern rural areas.	<ul style="list-style-type: none"> • Support SMME development • Maximise the use of local labour in implementation of IDP capital projects • To establish a partnership with the private business community with a view to expanding and enhancing local investment and development opportunities. 	<ul style="list-style-type: none"> • The recruitment of local labour for implementation of IDP capital projects should be encouraged where possible. • Involvement in the poverty alleviation and job creation projects of the Expanded Public Works Programme, headed by the Department of Public Works, should be maximised • Encourage agri-industries and potential linkages between agriculture and the tourism industry. • Initiate urban agriculture projects in and around lower income areas. • In consultation with Department of Agriculture, set up and implement small farmers support and advice programme.

CHAPTER 4: LOCAL ECONOMIC DEVELOPMENT

4.1 LED STRATEGY

During 2008/09 financial year, the municipality successfully prepared the LED strategy which served as a vehicle to stimulate the economic development within the district municipality; the primary aims and objectives of the LED strategy are as follows:

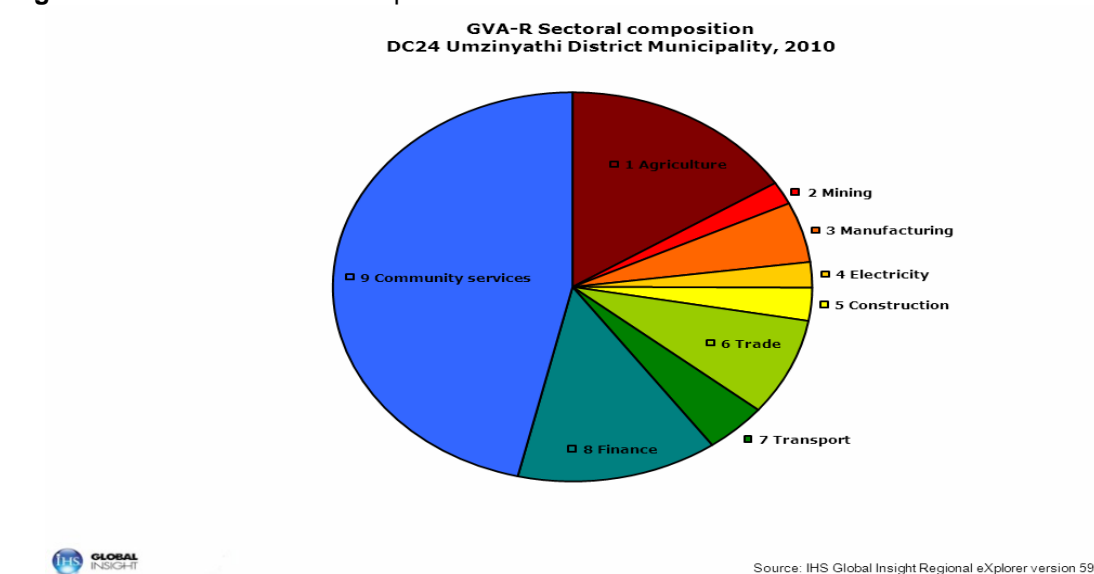
- Provide facilitation for partnership initiatives that exploit the district's competitive advantage;
- To develop a practical and implementable LED Strategy and Programme for the District; and
- To provide institutional support to the District and local LED units within the municipalities and to strengthen networking and co-ordination between local government, business chambers and sector business networks through a process of mentorship and support for institutional development.

The LED Strategy will be reviewed during 2012/13 financial year, to ensure that its application is relevant and applicable thereby promoting economic development

4.2 SECTOR ANALYSIS AND PERFORMANCE

The following figure summarises the GVA- R for the sectors in the UDM and has been highlighted above. As can be seen, the highest contributors to the GVA of the municipality are *Community Services*, followed by *Agriculture*, *Finance*, *Trade* and *Manufacturing*. Each of these sectors is analysed in more detail as follows:

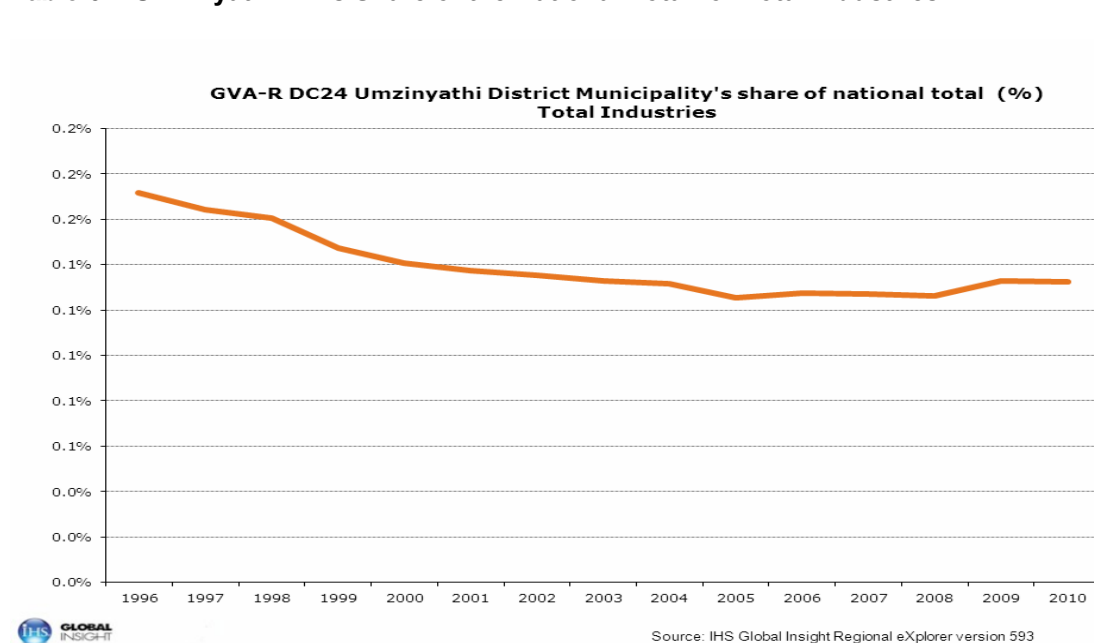
Figure: 66: GVA- R Sector Composition



Source: Global Insight, 2010

The following figure summarises the contribution of the total industries in the UDM to the national total. As can be seen from the graph, the total contribution to the national share has declined from 0.2% in 1996 to 0.1% in 2005. From 2005 to 2010 there was a period of gradual growth but still at no more than 0.1%.

Table 67: Umzinyathi DM's Share of the National Total for Total Industries

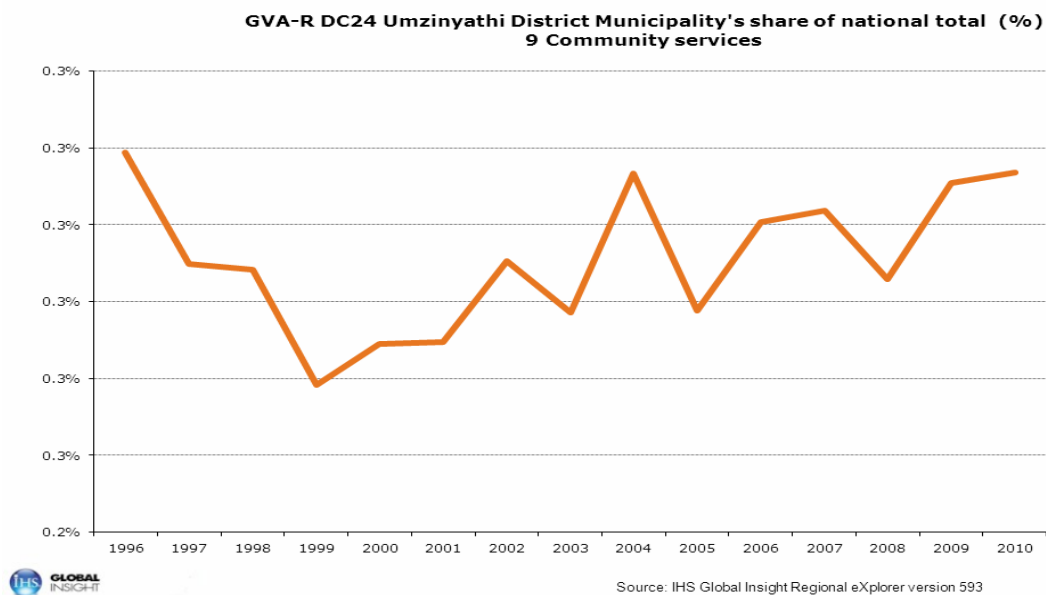


Source: Global Insight, 2010

4.2.1 Community Services

The following figure summarises the performance of the Community Services sector, which has the largest contribution to the GVA- R in the UDM, from 1996 to 2010. As can be seen, there was a decline in the Community Services sector from 1996 to 1999 where after there has been a period of gradual growth with short periods of decline. The Community Services sector, during the period 1996 to 2010, only contributed 0.3% to the national total.

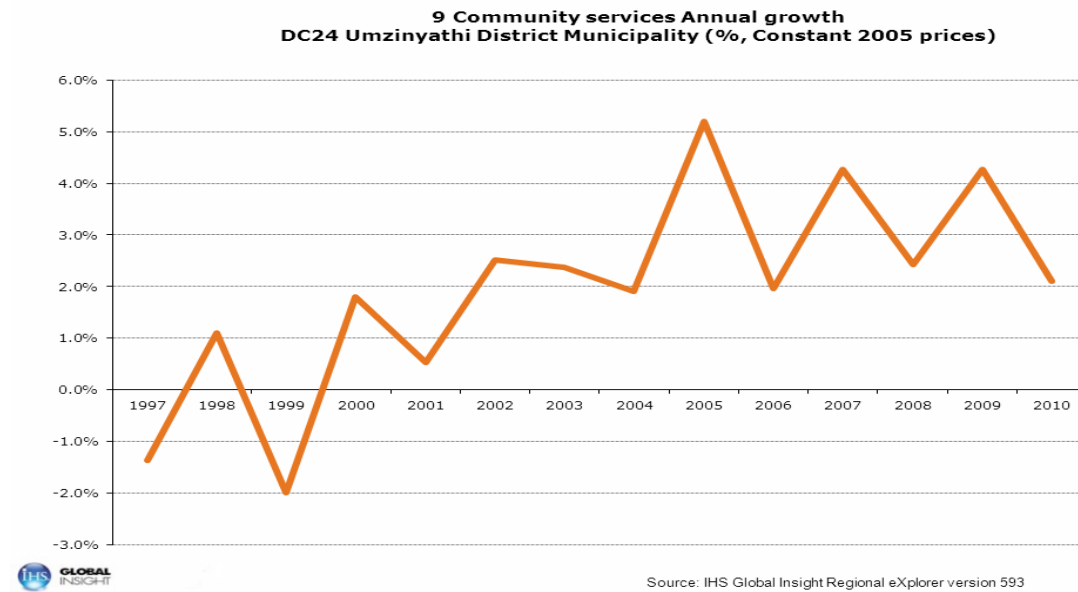
Table: 68: Umzinyathi DM's Share of the National Total for Community Services



Source: Global Insight, 2010

The figure below indicates the growth rate for the sector from 1996 to 2009. As can be seen, there was a growth in the sector in 1998 of 1%, followed by a sustained period of growth from 2000 onwards which peaked at over 5% in 2005. The average growth rate from 1996 to 2009 for this sector was 2.0% per annum.

Figure 69: Annual Growth Rate in the Community Services Sector

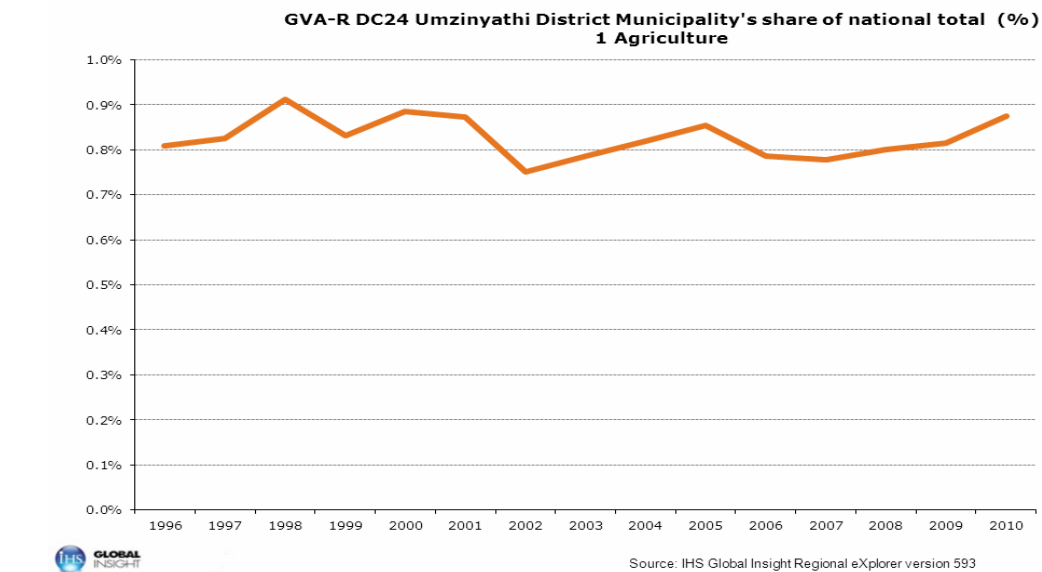


Source: Global Insight, 2010

4.2.2 Agriculture

As can be seen from the figure below, the Agriculture sector in the UDM has been range bound in its contribution to the national agricultural total and has contributed between 0.7% and 0.9%.

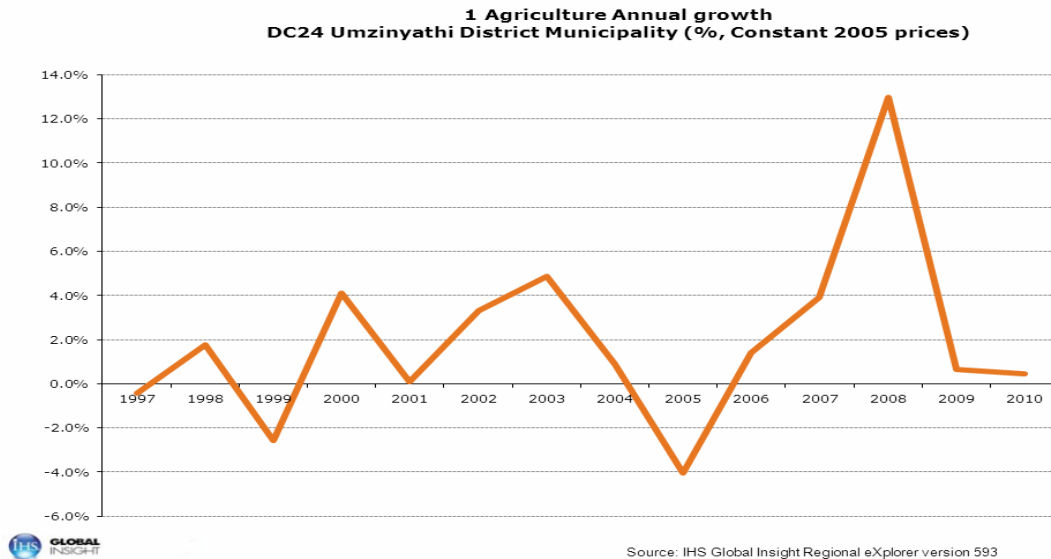
Figure 70: Umzinyathi DM's Share of the National Total for Agriculture



Source: Global Insight, 2010

The following figure summarises the growth in the Agricultural sector from 1996 to 2010. The statistics indicate that there have been four periods of decline or negative growth rates in the sector namely 1996/7, 2005, and 2009 onwards. The data also indicates that for 2006 to 2010 the sector grew at its highest rate of 8% per annum. The average growth rate for this sector from 1996 to 2010 was 1.4% per annum.

Figure 71: Annual Growth in the Agricultural Sector

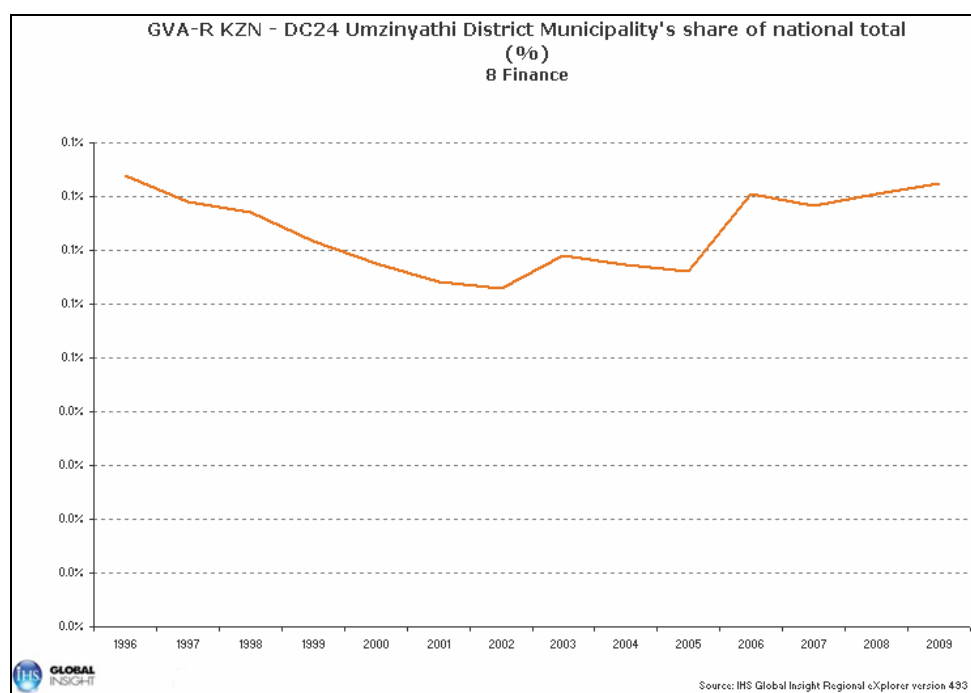


Source: Global Insight, 2010

4.2.3 Finance

The following figure summarises the performance of the Finance sector in the UDM from 1996 to 2010. As can be seen, there was a decline in the Finance sector from 1996 to 2002 where after there has been a period of gradual growth. The Finance sector, during the period 1996 to 2010, only contributed 0.1% to the national total.

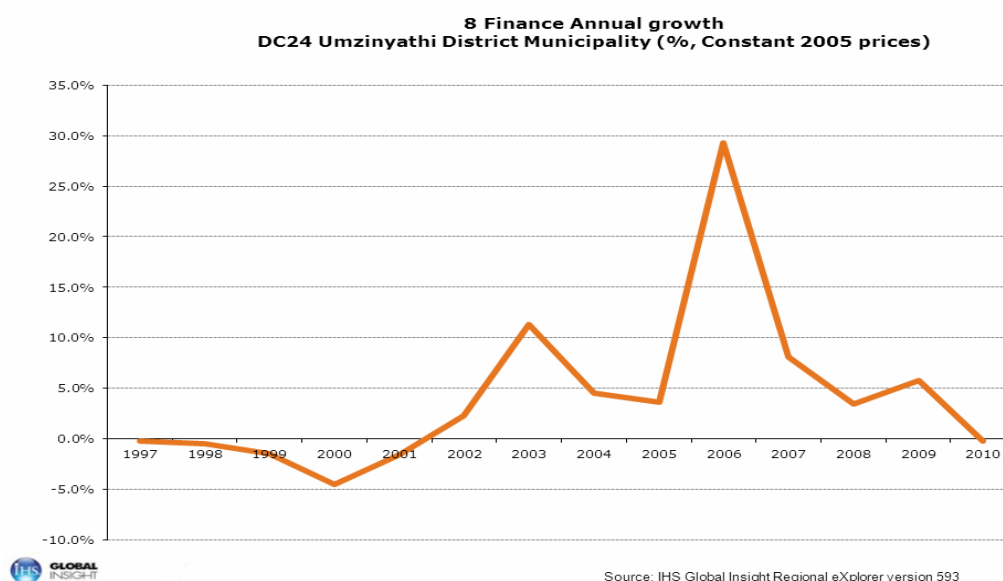
Figure 72: Umzinyathi DM's Share of the National Total for Finance



Source: Global Insight, 2010

The figure below summarises the growth rate for the Finance sector from 1996 to 2010. It indicates that for the period up to 2002, the sector was in decline of up to 5% per annum. From 2002 onwards, the sector grew with two peaks in 2003 (approximately 12%) and 2006 (approximately 28%). The average growth rate of this sector from 1996 to 2010 was 4.1% per annum.

Figure 73: Annual Growth in the Finance Sector

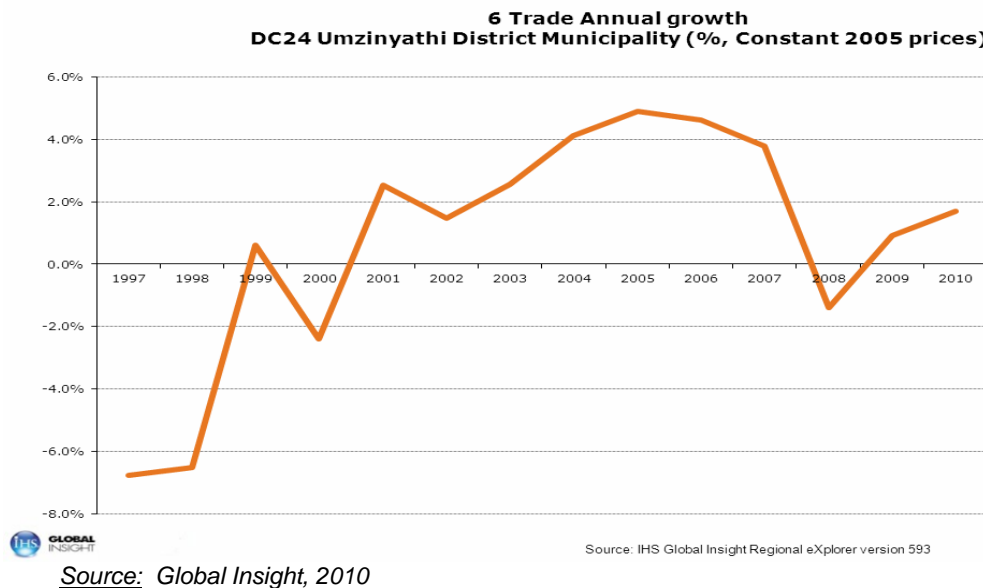


Source: Global Insight, 2010

4.2.4 Trade

The following figure summarises the contribution of the trade sector in the UDM to the national total. As can be seen, there has been a gradual decline in the trade sector from 1996 to 2010 with the UDM contributing less than 0.1% to the national total.

Figure 74: Umzinyathi DM's Contribution to the National Total for Trade

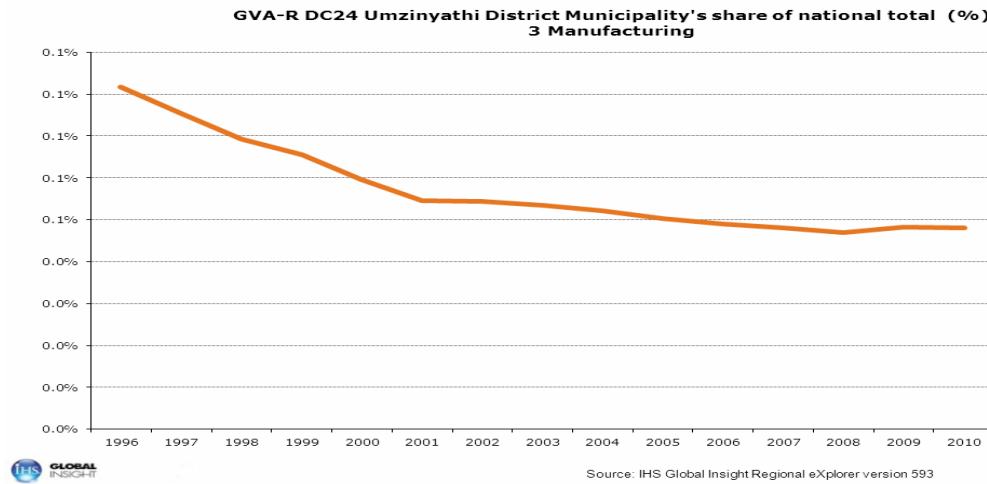


The following figure indicates the annual growth for the Trade sector for 1996 to 2010. As can be seen, the sector enjoyed a period of sustained growth from 2001 to 2008 and peaked at a growth rate of around 5% per annum. From 2008 onwards, however, the sector went into decline as a possible result of the global financial crisis and was declining at around 4% per annum in 2010. The average annual growth rate for this sector from 1996 to 2010 was 0.0% per annum.

4.2.5 Manufacturing

The following figure summarises the contribution of the manufacturing sector in the UDM to the national total. As can be seen, there has been a gradual decline in the manufacturing sector from 1996 to 2010 with the UDM contributing less than 0.1% to the national total.

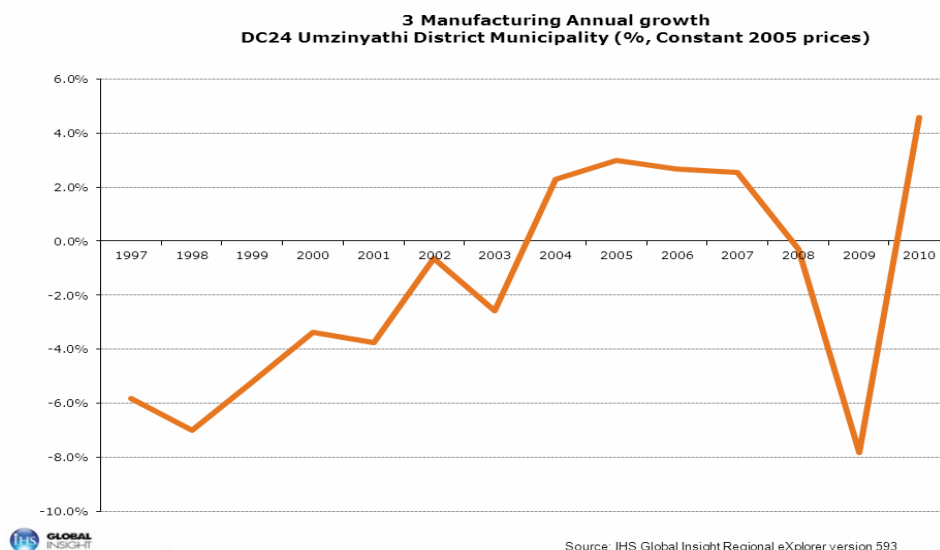
Figure 75: Umzinyathi DM's Contribution to the National Total for Manufacturing



Source: Global Insight, 2010

The following figure summarises the annual growth in the manufacturing sector and indicates that from 2004 to 2008 there was positive growth in the Manufacturing sector followed by negative growth at all other periods. From 2008 onwards the sector has declined at an alarming rate of up to 10% per annum. The average annual growth rate for this sector from 1996 to 2009 was -2.3% per annum. However, during 2010 there has been a positive growth.

Figure: 76: Annual Growth in the Manufacturing Sector

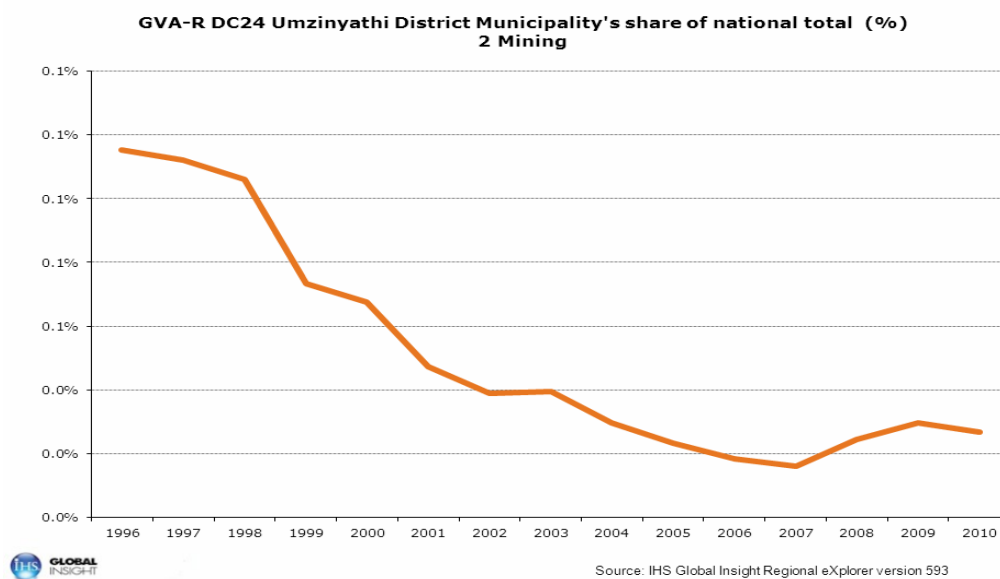


Source: Global Insight, 2010

4.2.6 Mining

For the period 1996 to 2007 the mining sector in the UDM was in decline and this can be seen in the contribution of the UDM's share of the total national mining sector. In more recent years this decline has been replaced by marginal levels of growth which corresponds with the increased interest in coal mining and the many prospecting applications.

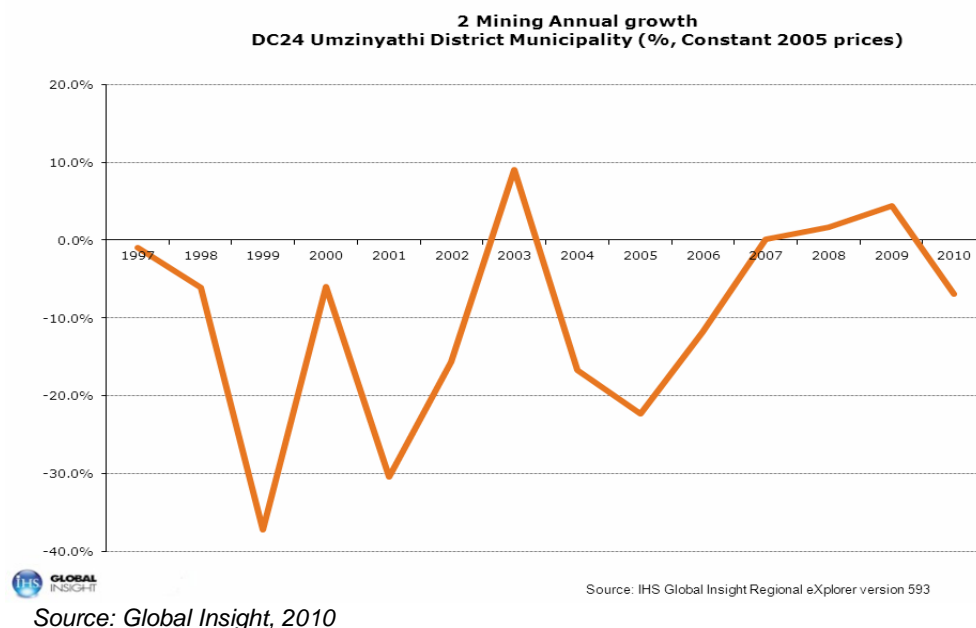
Figure 77: Umzinyathi DM's Share of the National Mining Total



Source: Global Insight, 2010

The following graph summarises the growth rates of the mining sector from 1996 to 2010. As can be seen for this period, there have been two period of positive growth namely 2003, and 2007 onwards. The average annual growth rate for this sector from 1996 to 2009 was -10.7% per annum. While in 2010 was at -6.9% leading to industry growth of -10%.

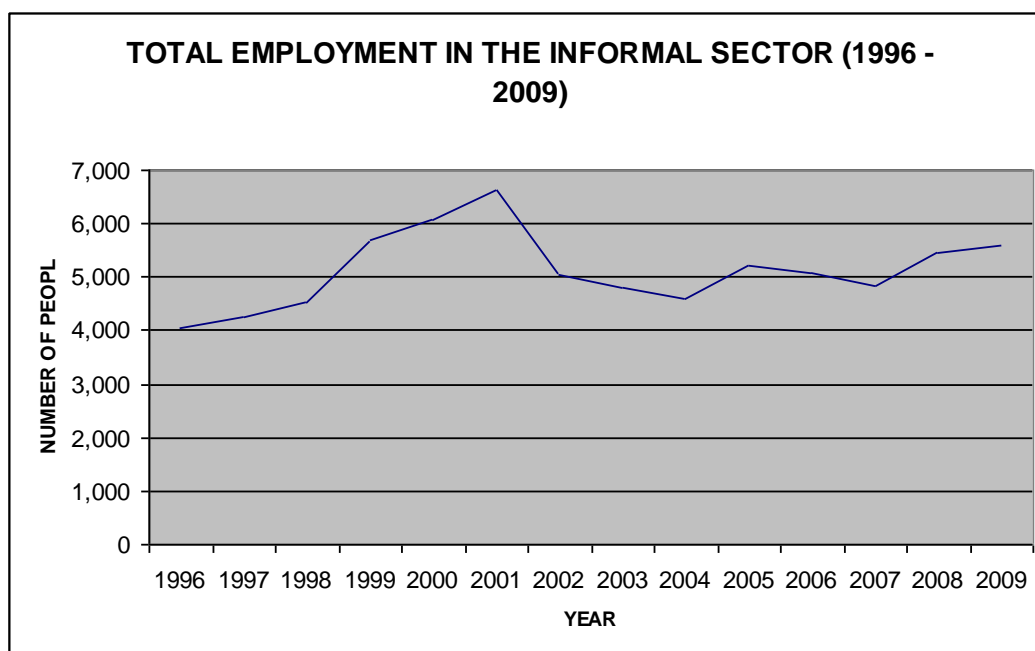
Figure: 78: Annual Growth in the Mining Sector



4.2.7 Informal Sector

The following figure illustrates the total employment in the informal sector from 1996 to 2009. In 1996 a total of 4,061 people were employed in the informal sector which grew to 6,625 in 2001 and declined to 5,581 in 2009.

Figure 79: Total Employment in the Informal Sector (1996 to 2010) (Global Insight, 2010)



Source: Global Insight, 2010

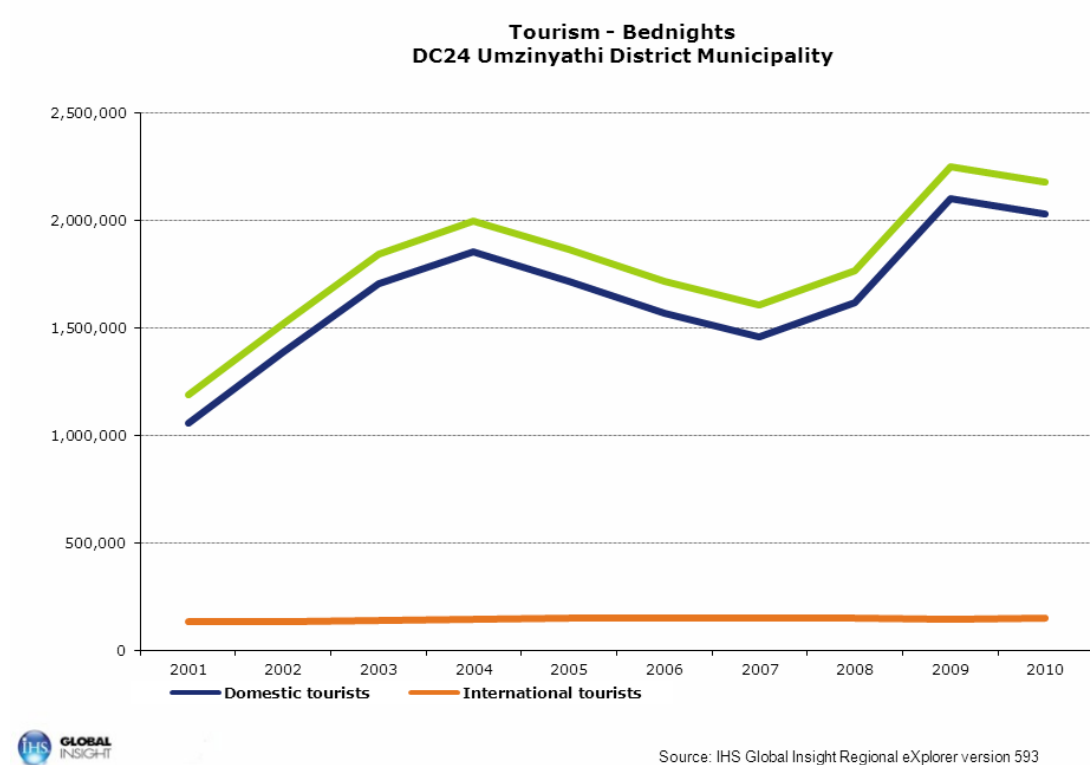
4.2.8 Tourism Sector

Tourism sector is one of the potential sectors in developing and growing the local economy. It has over the years displayed a tremendous potential to create job opportunities. The graph attempts to shed light on the attractiveness of Umzinyathi to both domestic and international tourists.

Domestic tourists have found Umzinyathi more attractive over the recent years. While the number of visits and bed occupied over a period of time show signs of improvement, the still needs to market itself vigorously. The international tourists have spent money in Umzinyathi especially during year 2010. This could easily be attributed to the world cup that was staged in South Africa during the same year.

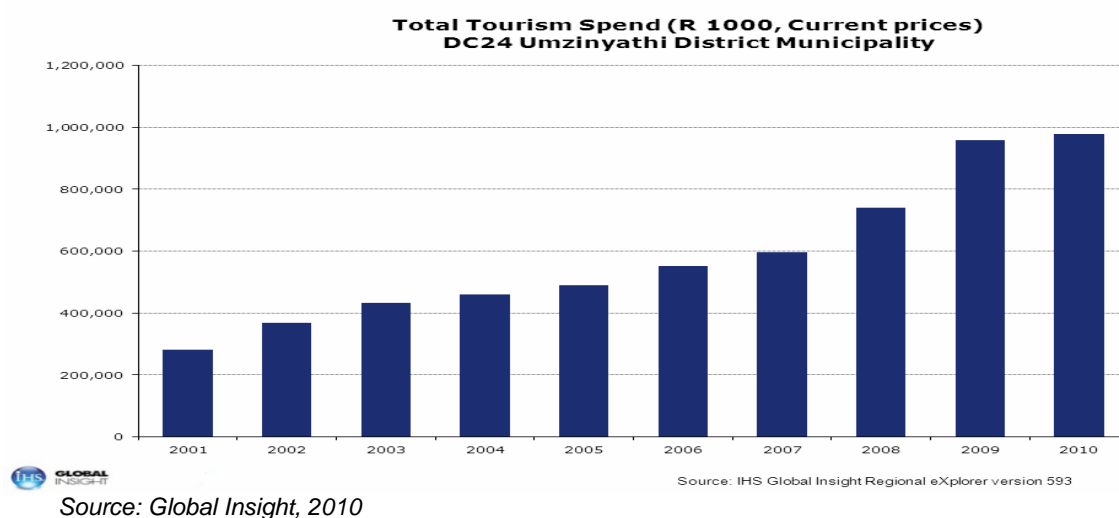
In terms of the figure below the number of beds occupied by the domestic visitors has increased from 1 million in 2001 to more than 2 million in 2010.

Figure 80: Tourism Bednights



Source: Global Insight, 2010

Figure 81: Total Tourism Spend



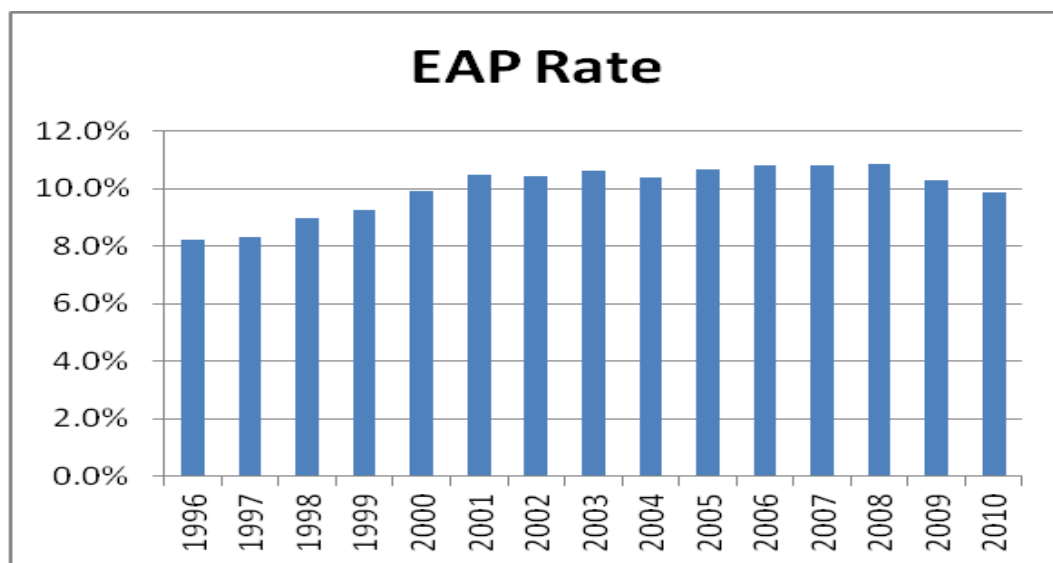
4.3 ECONOMIC PROFILE

This section analyse the general trends affecting the economy for the uMzinyathi District Municipality (UDM) and made use of the latest *Global Insight* data (1996 to 2010). The report firstly analyses the population dynamics, followed by an analysis of the levels of service provision, and lastly looks at the performance of the economy. This report serves as the foundation for the identification of future local economic development projects

4.3.1 Economically Active Population

The Global Insight data indicates that in 2010 the economically active population (EAP) for the UDM represented 10% which was an improvement on the 8% in 1996. The 2010 EAP figures represented some 21 000 females and some 25,000 males. The EAP rate peaked in 2006 and 2007 at 10.8%.

Figure 82 : Economically Active Population

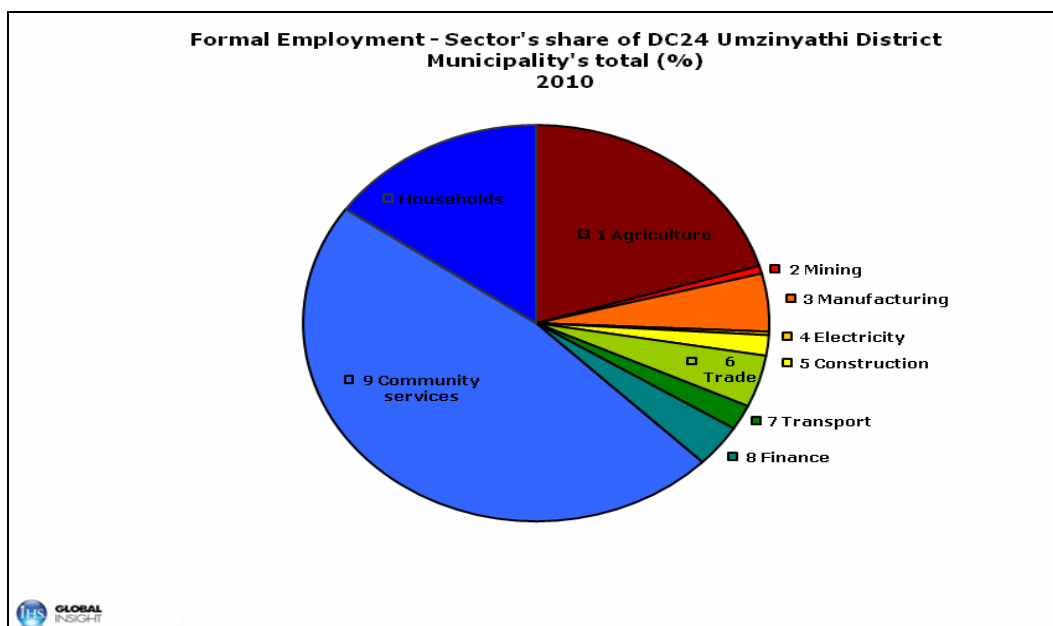


Source: Global Insight, 2010

4.3.2 Employment

As can be seen from the graph below, in 2010 the *Community Services* sector employed the highest percentage of residents followed by *Agriculture* (30.3% or 4,076 people), *Households* (16.2% or 3,051 people), *Manufacturing* (5.7% or 946 people) and *Trade* (4.3% or 850 people).

Figure 83 : Formal Employment per Sector for 2009 (%)



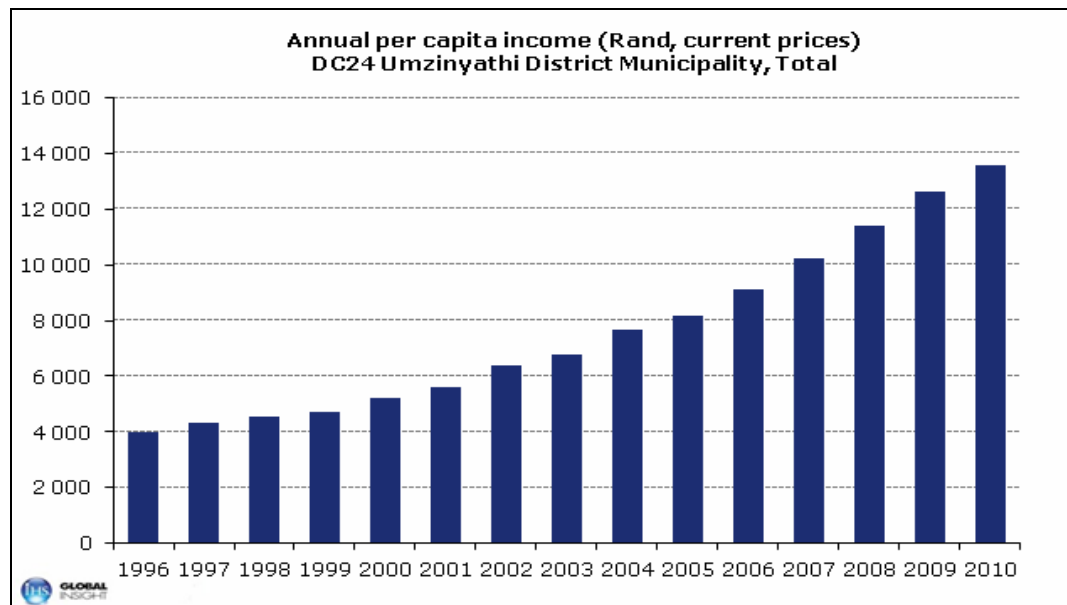
Source: Global Insight, 2010

4.3.3 Income Levels

- **Annual Household Income**

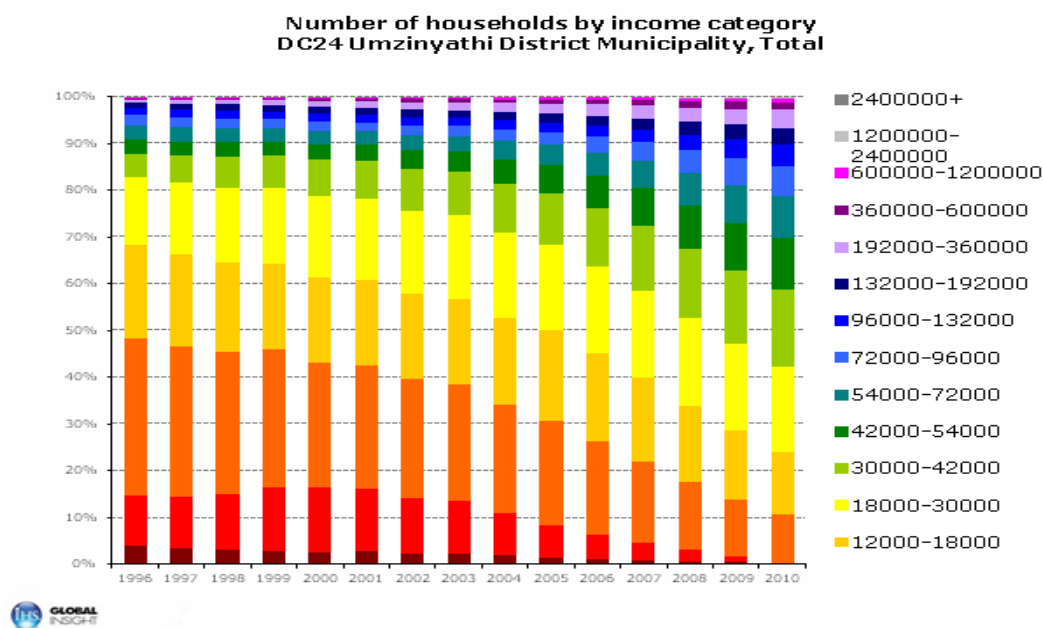
The following graph summarises the annual household income at current rand prices. As can be seen, there has been an improvement in the annual household income from 1996 to 2009. In 1996 households were earning an average of R22,485.00 per annum which has improved to R61,959.00 in 2010.

Figure 84: Annual per Household Income (1996 – 2010)



The following graph indicates the number of households per income category. As can be seen from this data, there has been a real decline in the households earning the lower income levels and an associated increase in the number of households earning the higher income levels.

Figure 85: Households per Income Category (1996 – 2010)

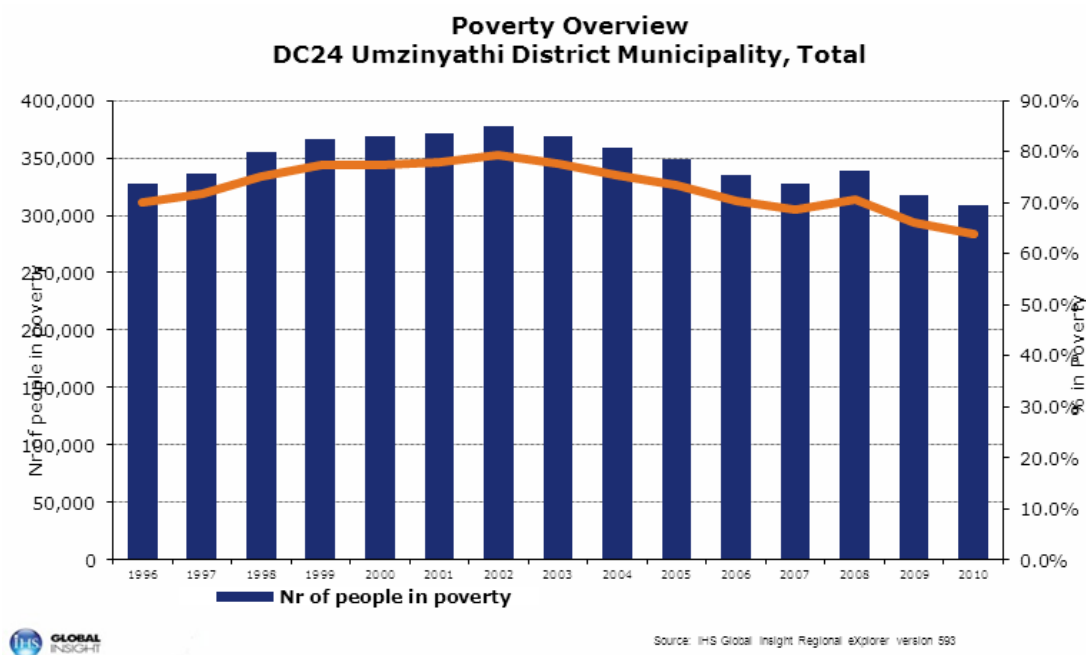


4.3.4 Poverty

Poverty is defined as the state of one who lacks a usual or socially acceptable amount of money or material possessions. This variable indicates the number of people that lack the goods and services commonly taken for granted by members of mainstream society. In 1996 the figure for the UDM stood at 328,661 people, while in 2010 the figure was 316,228 people.

In terms of percentages, in 1996 71.2% of residents of the UDM lived in poverty, while in 2010 63.9% lived in poverty. This figure peaked at 79.9% in 2002. The UDM in 2010 remains above the national average in terms of the number of people living in poverty.

Figure 86: Number of People Living in Poverty (1996 – 2010)



Source: Global Insight, 2010

4.3.5 Poverty Gap

The poverty gap can be defined as the amount of income that would be required to bring every poor person exactly up to the poverty line, thereby eliminating poverty. It can also be defined as the total income shortfall, expressed in proportion to the poverty line, of families with income below the poverty threshold, divided by the total number of families. For the UDM this figure stood at R327 million in 1996, and rose to R1,037 million in 2009. In 2010 it has dropped to R 714 million.

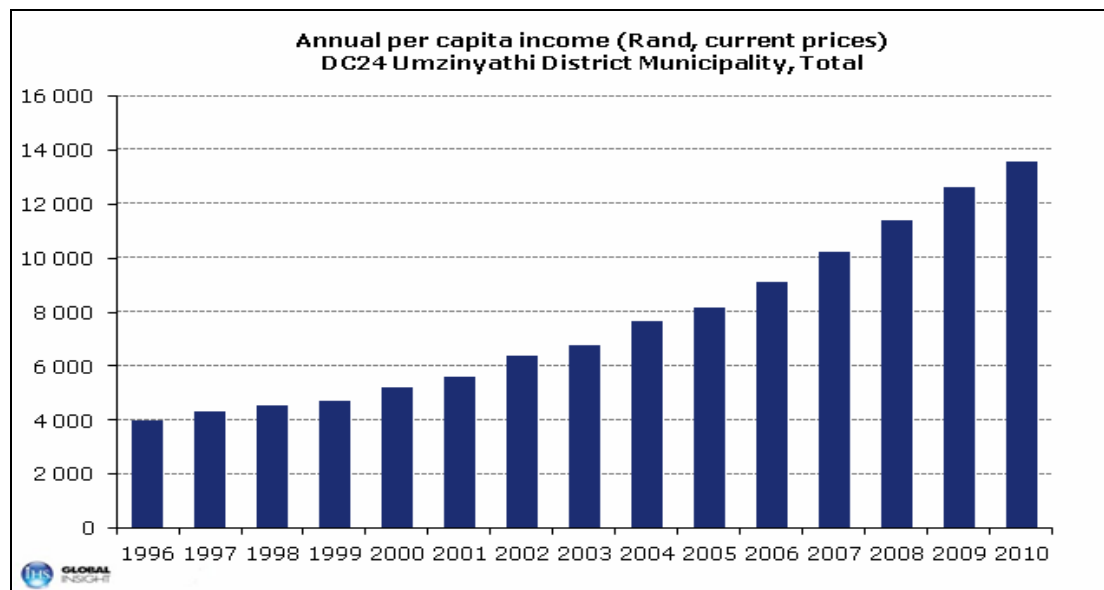
4.3.6 Percentage of People Living in Poverty

In 1996 9% of the population lived below \$1 per day and 26.2% lived below \$2 per day. This figure improved to 0.4% living below \$1 per day and 10% below \$2 per day in 2010. The year 2002 saw the highest number of people living below \$1 per day (12%) and the highest number of people living below \$2 per day (33.8%).

4.3.7 Annual Per Capita Income

Annual per capita income has also improved during this period from R3, 979.00 in 1996 to just below R13, 589.00 in 2010.

Figure 87: Annual per Capita Income (1996 – 2009)



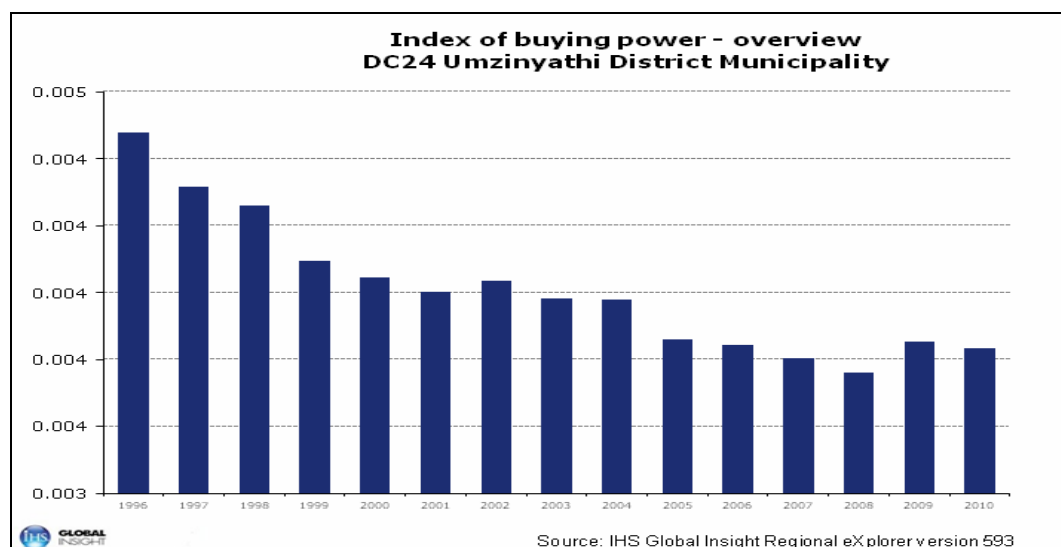
Source: Global Insight, 2010

4.3.8 Index of Buying Power

An *Index of Buying Power* is a popular indicator of a geographical area's relative consumer buying power. The index is calculated using weighted data for income, retail sales, and population in the area being evaluated. The index can be used by retailers when considering new store locations.

The Index of Buying Power for the UDM has decreased marginally from 0.005% in 1996 to 0.003% in 2010. The retail share of the national total has also decreased from 0.3% in 1996 to 0.2% in 2010. Income share of the national total has remained at 0.4% for the period 1996 to 2010. However, in 2005 to 2008 it dropped to 0.3% and peaked again back to 0.4%.

Figure 88: Index of Buying Power (1996 – 2010)

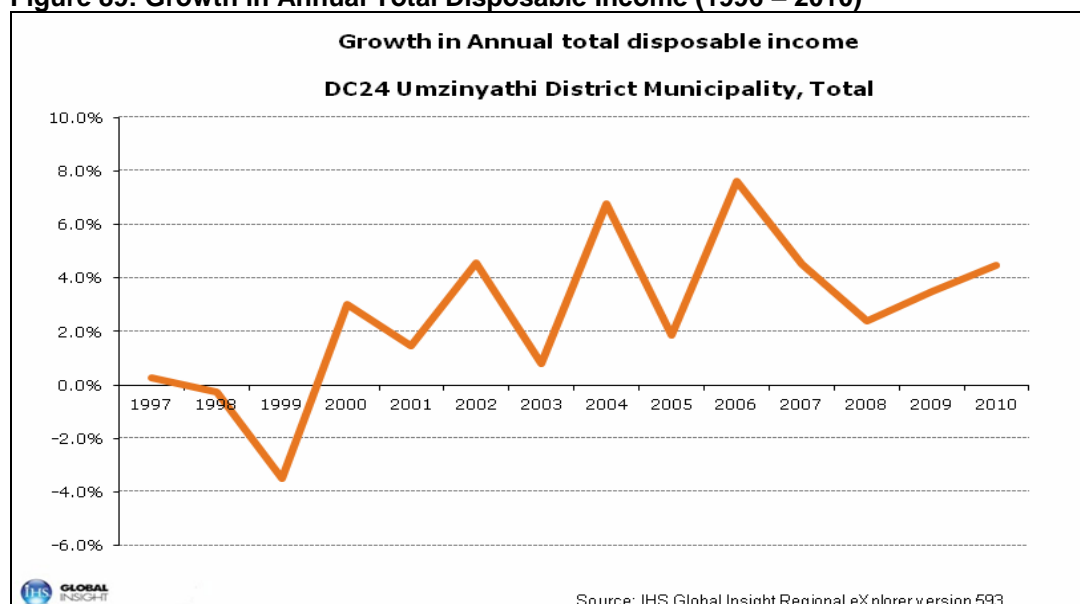


Source: Global Insight, 2010

4.3.9 Annual Disposable Income

The growth in the annual total disposable income is summarised in the graph below. As can be seen, 1998 until the end of 1999 saw a negative growth in total disposable income for the UDM. This was replaced by a period of positive growth from 2000 to 2009 with a peak in the growth in 2006. Although still positive, there has been a decline in the growth rate from 2006 to 2009 which corresponds with the *Global Financial Crisis*.

Figure 89: Growth in Annual Total Disposable Income (1996 – 2010)

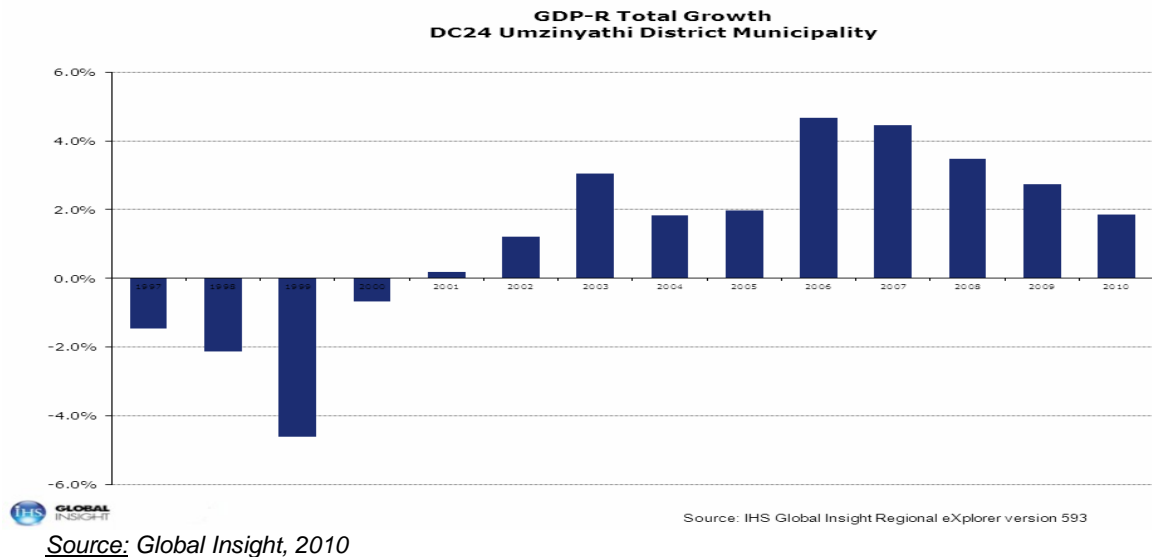


Source: Global Insight, 2010

4.3.10 Gross Domestic Product per Region

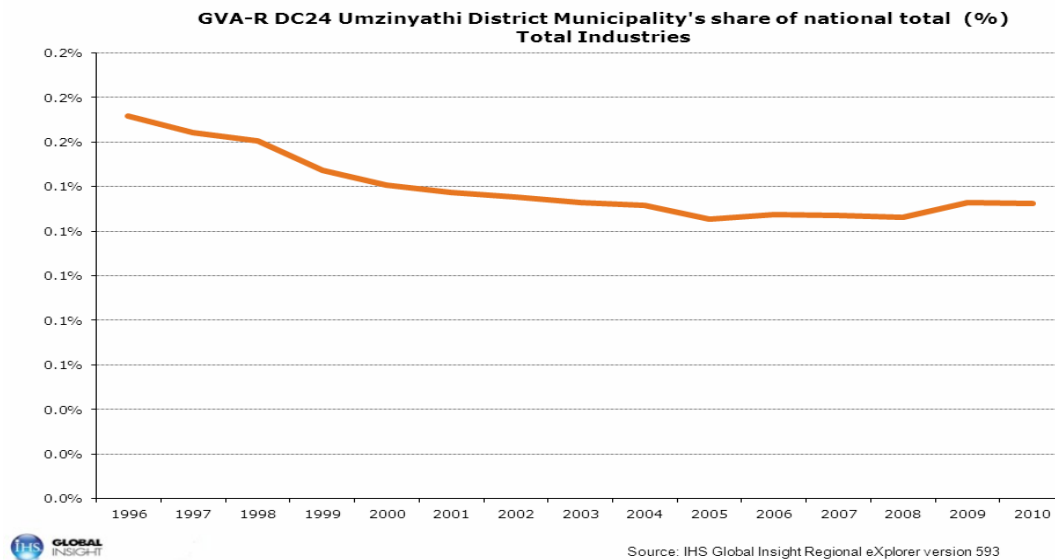
The following graph illustrates the GDP per region for DM's in KZN for 2004. As can be seen from this data, the UDM is well below the provincial average and the third lowest in the province ahead of the Zululand and uMkhanyakude DM's.

Figure 90: GDP by Region at Current Prices (2005)



The Global Insight data indicates that the GDP- R for the UDM at current prices (R1000) rose from R1, 071,152 in 1996 to R3, 576,359 in 2010. The average annual growth rate for GDP- R for the UDM from 1996 to 2010 at constant prices for 2005 grew at 1.3%. The annual growth rate peaked at 4.5% in 2006 and had declined to 1.5% in 2009 and further to 1.3% in 2010.

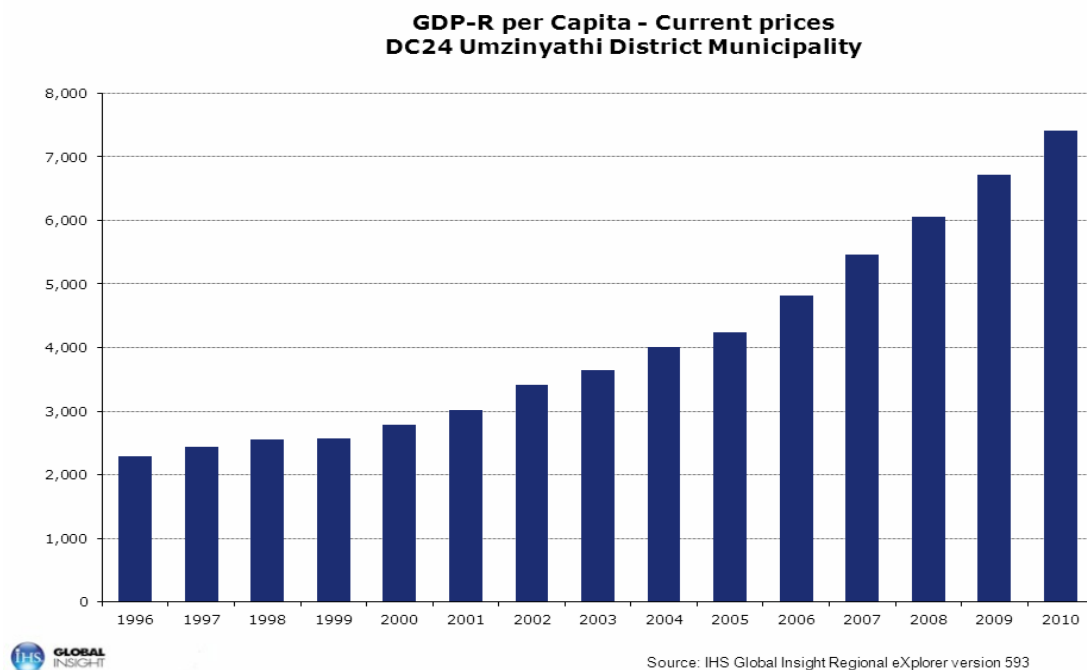
Figure 91: GDP- R Total Growth (1996 – 2010)



Source: Global Insight, 2010

The GDP- R per capita at current prices was R2,320 in 1996 and had risen to R6,990 by 2009. This is summarised in the graph below.

Figure 92: GVA- R per Capita at Current Prices (1996 – 2010)

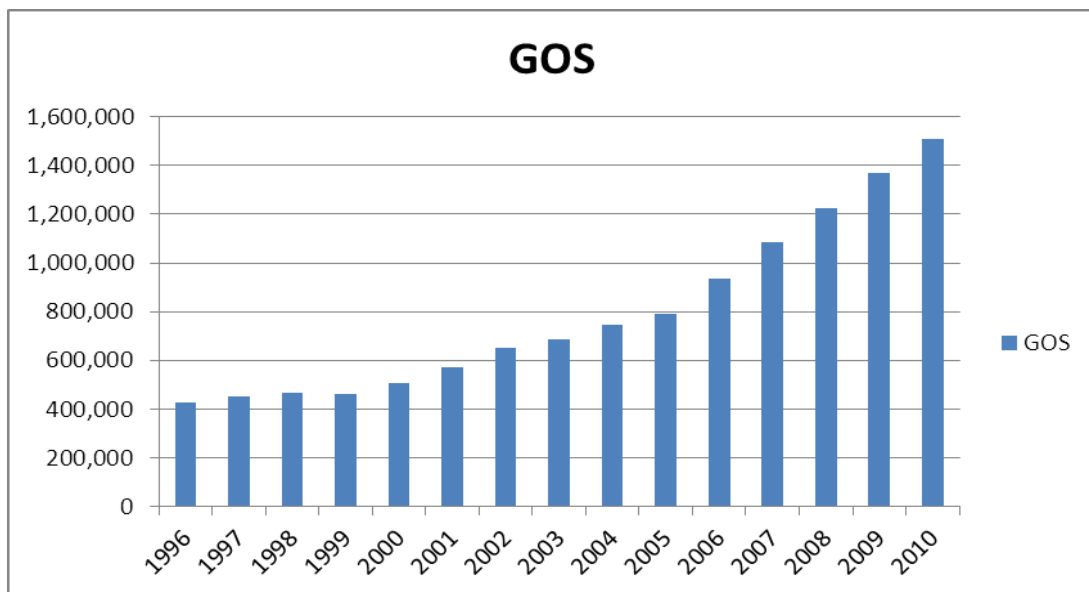


Source: Global Insight, 2010

4.3.11 Gross Operating Surplus

The Gross Operating Surplus (GOS) can be defined in the context of national accounts as a balancing item in the generation of income account representing the excess amount of money generated by incorporated enterprises' operating activities after paying labour input costs. In other words, it is the capital available to financial and non-financial corporations which allows them to repay their creditors, to pay taxes and eventually to finance all or part of their investment. The following graph summarizes the GOS for the UDM and indicates a steady growth in GOS from R426, 254 in 1996 to R1, 369,267 in 2010 and further increased to 1,508,922 in 2010.

Figure 93: Gross Operating Surplus for All Industries in the UDM (Global Insight, 2010)



Source: Global Insight, 2010

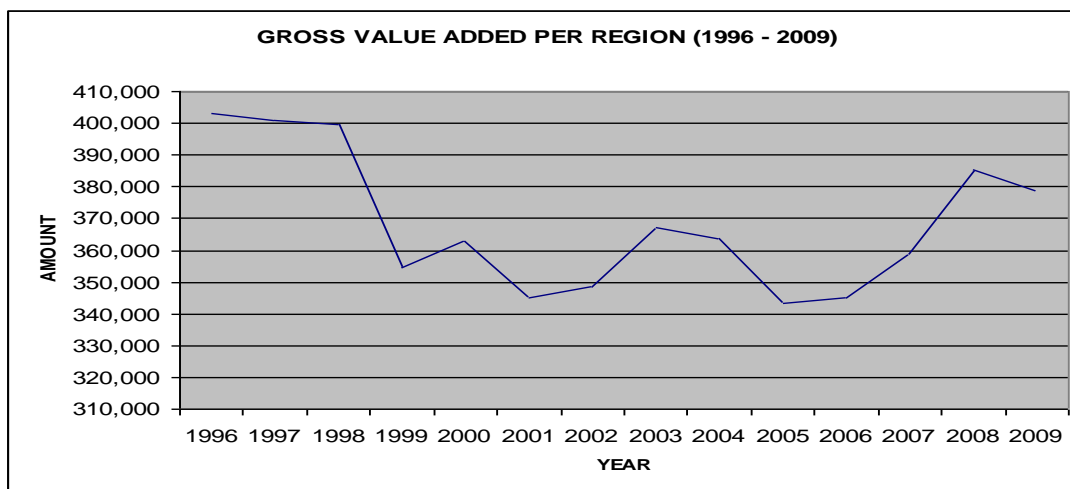
4.4 GROSS VALUE ADDED

Gross Value Added (GVA) is a measure of the value of goods and services produced in an area or sector of an economy. The information below has been extracted for the primary, secondary and tertiary sectors.

4.4.1 Primary Sector

The following graph summarises the GVA per region for the primary sector for the years 1996 to 2009. As can be seen, the GVA- R for 1996 was R403, 126.00 which has declined to R378, 861.00 at constant 2005 prices (R1000).

Figure 94: Gross Value Added per Region for the Primary Sector (1996 – 2009) (Global Insight, 2009)

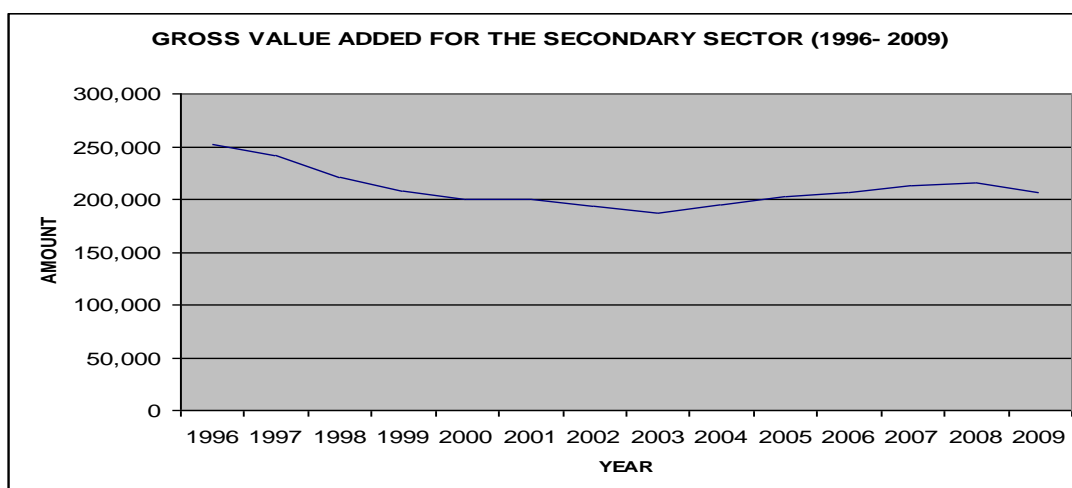


Source: Global Insight, 2010

4.4.2 Secondary Sector

The secondary economy indicates a similar trend to the primary economy with a decline in the GVA- R from R252, 363.00 in 1996 to R206, 147.00 in 2009 at constant 2005 prices (R1000).

Figure 95: Gross Value Added per Region for the Secondary Sector (1996 – 2009) (Global Insight, 2009)

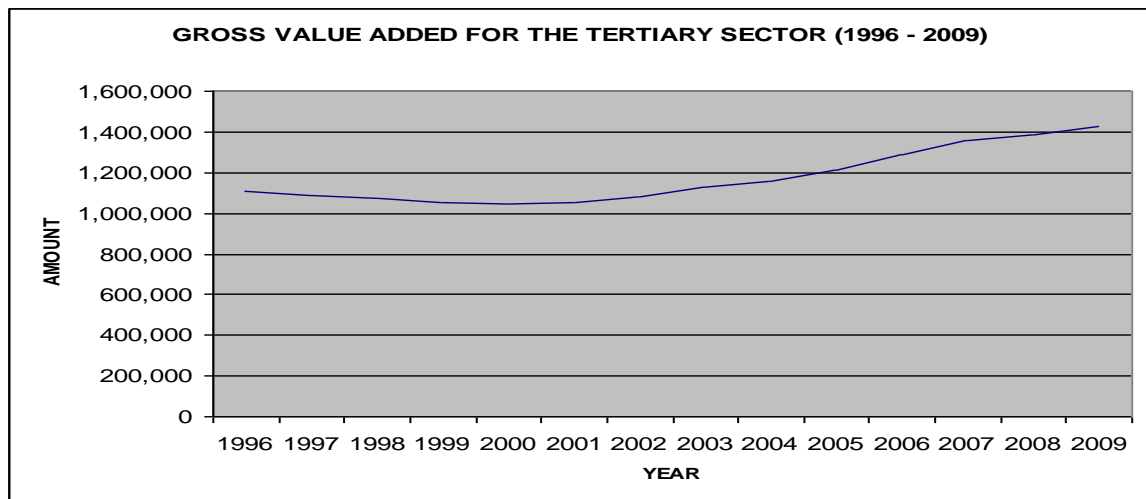


Source: Global Insight, 2010

4.4.3 Tertiary Sector

The tertiary sector differs from the primary and secondary sectors and indicates a steady growth in GVA from R1, 109,623 in 1996, to an amount of R1, 429,199 in 2009 at constant 2005 prices (R1000).

Figure 96: Gross Value Added per Region for the Tertiary Sector (1996 – 2009) (Global Insight, 2009)

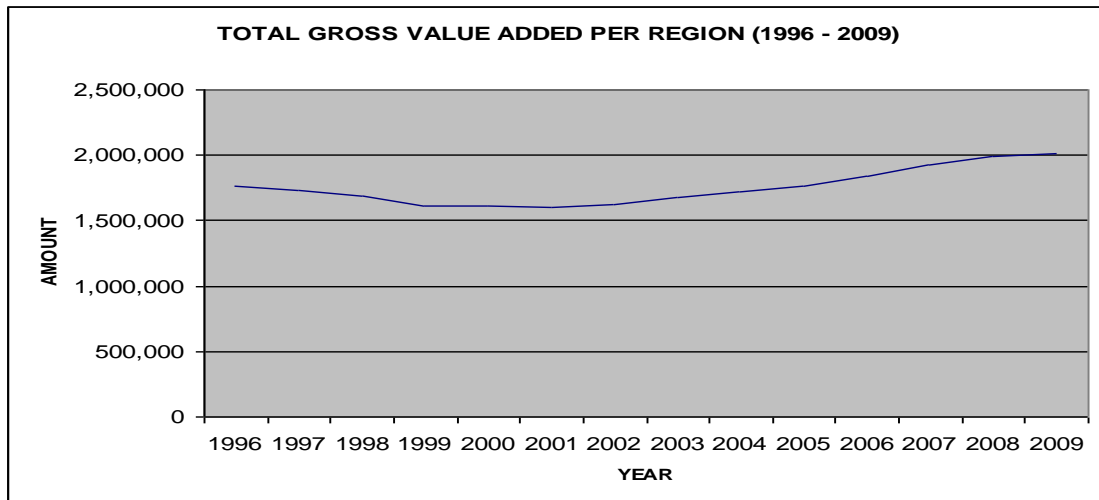


Source: Global Insight, 2010

4.4.4 Total Gross Value Added per Region

The following graph indicates the average GVA- R across all three sectors and indicates that although there has been a decline in the GVA- R for the primary and secondary sectors during this period, there has been an overall growth in the GVA- R for the UDM as a whole. In 1996 the total GVA- R was R1, 765,113 which grew to R2, 014,206 in 2009 at constant 2005 prices (R1000).

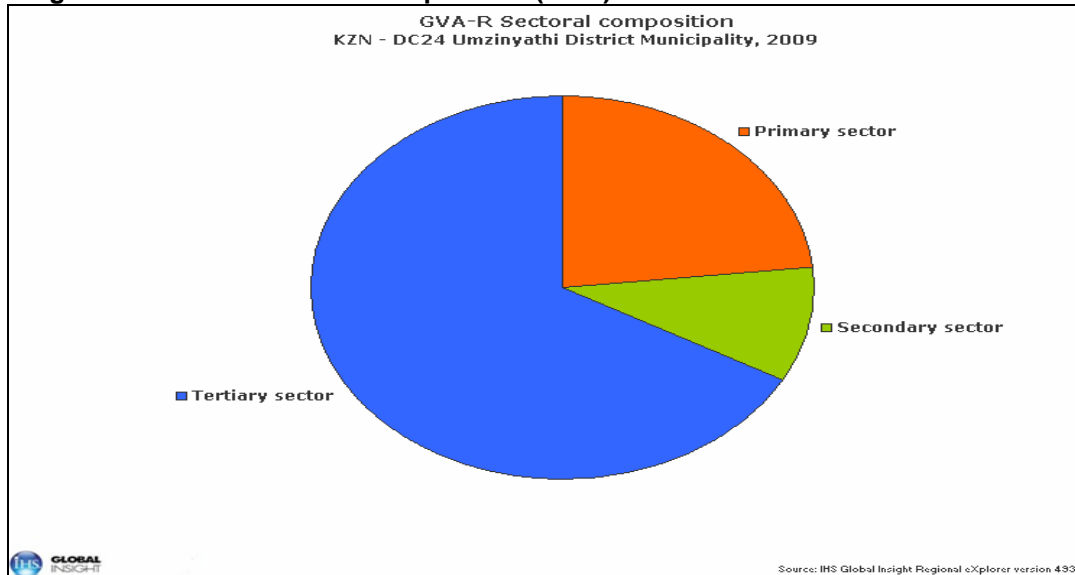
Figure 97: Total Gross Value Added per Region for the UDM (1996 – 2009) (Global Insight, 2009)



Source: Global Insight, 2010

The following graph summarises the GVA- R contribution for the three sectors in 2009 and clearly indicates that the Tertiary sector makes the largest contribution.

Figure 98 GVA- R Sectoral Composition (2009)



Source: Global Insight, 2010

4.5 LED TECHNICAL SUPPORT

During 2010/11 financial year, the Department of Economic Development and Tourism appointed an LED Specialist to assist Umzinyathi District Municipality with rendering technical support to the LED units within the District and Local Municipalities, to ensure the immediate intervention to realise economic growth and development. The intentions of the technical support are as follows:

- To set up functional LED Institutional Arrangements (support structures) such as the District LED forum, sector specific forums, LED units at Local Municipality level etc;
- To identify, package and leverage funding for implementation of catalytic projects which will have a significant impact in the growth and development of the local economy.

The LED Specialist commenced with his duties during the previous financial year, and significant progress has been achieved in terms of developing new plans e.g LED Vision 2014, critical studies and business plans which will enable the municipality to promote economic development, the LED Specialist will assist the district family of municipalities for a period of two (2) years.

4.6 ECONOMIC VISION 2014

Umzinyathi District Municipality is facing key LED Challenges which necessitated the development of the Economic vision, and these challenges are as follows:

- Lack of meaningful participation of stakeholders in LED process;
- Lack of financial resources to support LED initiatives;
- Limited human capacity to manage LED programme;
- Minimal participation of political leadership in LED remains a challenge;
- Lack of clear –cut opportunities in some rural areas of the municipality;
- Poor participation and co-operation of sector departments;
- Land Reform Projects have a high potential but lack leadership; and
- Private sector has no faith and confidence in the municipal programmes.

4.6.1 Economic Vision

The Economic Vision 2014 is as follows:

UMzinyathi will strive to promote a vibrant economy that concentrate on encouraging both public and private sector investments in active economic sectors and ensure

diversification in products and provide opportunities to its citizens.

- Vibrant;
- Diversification; and
- Provision of opportunities.

4.6.2 Strategic Focus Areas

- To grow the district's competitive advantage in agricultural processing in those sectors, clusters and value chains in which the district already has a distinctive competence (dairy, maize-milling, vegetables, beef feedlots and timber);
- To grow and diversify the district's unique competitive advantage in heritage and potential for cultural tourism;
- To increase the service and commercial capacity of the nodal towns in the District (Dundee, Greytown, Pomeroy, Tugela Ferry and Nquthu);
- To establish a targeted skills development programme and SMME business development services for competitive sectors, clusters and value chains; and
- Establish District LED Institutional Arrangements (human resources, structures, and processes and budgets) to drive the implementation of the UMzinyathi LED Strategy and Plan.

4.6.3 Economic Principles

- Public Sector Participation
- Community Involvement
- Public Private Partnership and Communication
- Financial Support
- Economic Growth acceleration
- Empowerment
- Economic Integration
- Infrastructural Investment
- Spatial Development Planning
- Enterprise Support
- Industrial Development
- Sustainable provision of Basic services

4.6.4 Institutional Arrangements

Umzinyathi District Municipality has established the Board of Business Leaders which comprises of the public and private sector, and its purpose is as follows:

- The gathering of great local business minds;
- Developing or finding a common economic vision;
- Serve as an economic advisory body to both public and private sector investments;
- Assist in leveraging of resources;
- Keep government informed on levels of existing business confidence;
- Create job and business opportunities; and
- Mentorship of the emerging or smme's sector within the district.

4.6.5 Proposed LED Agency / PMU

Umzinyathi District Municipality is also intending to establish an LED Agency / Project Management Unit, which will serve to:

- Set up, runs, and supports an endogenous network able to catalyze development. The essential mission of LEDA is to:
 - create jobs
 - promote and support small and medium-sized businesses in the various branches of production
 - improve the economic context and opportunity of the territory
- Provides tools for economic development that include the weakest and most vulnerable;
- Uses businesses as a weapon in the fight against poverty;
- Develops relationships of collaboration and cooperation across sectors; and
- Allows the local government to be the direct actor.

The objectives of setting up the LED Agency / Project Management Unit will be to:

- Foster the economic development of the territory where it works;
- Capitalize on endogenous resources and concentrate on support for those groups with the most difficult access to regular economic and financial circuits;
- Foster integration and coordination of local institutions and associations around a shared vision of local economic development;
- Promote local small and medium sized business; create entrepreneurial culture;

- Plan and bring into being a system of services to public and private organizations that can support local economic development; and
- Pay special attention to identifying the most vulnerable social groups and identifying poverty traps.

4.6.6 Key LED Programmes of Economic Vision 2014

The key programmes which will be implemented under the Economic Vision 2014 are as follows:

- **Agricultural Development and Diversification**
 - Programme 1: Agricultural Support Unit
 - Extend the scope of agric incubator to cater for new vision on agriculture or
 - Employ or request an agricultural specialist (from Dept of Agric) to manage and monitor council agric development agenda
 - Focus on resuscitating economic activity within Land Reform Farms
 - Programme 2: Land Reform Programme
 - Profiling of farms
 - Available hectares for grazing and crop farming
 - Feasibility Assessments
 - Business planning
 - Funding mobilisation for a group of projects (e.g Soya beans, goat and cattle farming)
 - Capacity and capability
 - Support land reform forums
 - Programme 3: Community Based Support
 - Identification of existing agricultural co-operatives in partnership with DED
 - Restructuring of programmes and initiatives to take advantage of existing and potential opportunities
 - Engage traditional leadership and introduce community based support schemes that will focus on tilling of idle land and provision of seedlings thereby create a sustainable food security base.

- Programme 4: Mechanisation Unit
 - Establish functional Mechanisation Unit
 - Collect tractors supplied to LMs back UDM
 - Solicit support from the province to supply more tractors and implements
 - Manage and maintain the scheme
- Programme 5: Agri – processing
 - Identify agri-processing initiatives or projects
 - (LED study has identified few projects)
 - Prepare terms of reference for feasibility studies
 - Undertake detailed and thorough feasibility assessments
 - Compile Business Plans for feasible projects
 - Marketing of feasible projects
- Programme 6: Skills Development
 - Identify required Agri-technical skills
 - Partner with service providers
 - Sign MOU with Department of Agriculture to provide skills through Cedara training centre
 - Targeted training for communities and organised groupings
 - Maintain the incubation concept within Agri-support unit
- **Tourism Development**
 - Resuscitate stakeholder partnerships in tourism
 - Review of Tourism strategy
 - Identify clear cut opportunities within the sector
 - Branding of local products
 - Establish community based Tourism Organisations
 - Develop distinct tourism concepts and implement (Spatial development nodes) e.g KwaKopie Curio to be developed into tourism info centre, Arts and Culture hub, B&B, Conference facilities)
 - Marketing of the district

- **Infrastructure Development**

- Water for commercial use (dams, accessibility of existing water schemes for agricultural use)
- Increase agricultural areas under irrigation
- Access roads to the farms
- Main corridor roads (Dundee-Msinga-Greytown – Dube trade port)
- Trading space for informal traders within the small towns (msinga, Nquthu, Greytown) with necessary facilities
- Partnership with Ithala to invest in Industrial Park development initiative
- Roads improvement for mining (transportation of coal)

- **Mining Development**

- Increase in mining interest
- New jobs are created
- New business opportunities
- Consider:
 - Support services to the mining sector
 - Participation in the implementation of Social Labour Plans
 - Enquire about availability of mining or prospecting rights to the UDM
 -

- **SMME Development**

- Establish SMME support unit
- Integration of current incubation units
- Introduce business development component

4.7 LED CATALYTIC PROJECTS UNDER IMPLEMENTATION

The municipality is currently implementing a range of LED projects and their implementation will continue during 2012/13 financial year due to their nature and scale of activities. The details of these projects are as follows:

4.7.1 Bambanani/ Muden Peach Production

Project name: Bambanani/ Muden Peach production

Project beneficiaries: Simunye CPA; Mphahleni Trust;

Estimated jobs to be created: 150

Proposed budget: R 500 000

Project description:

The Mooi-draai farm is part of the farms restored to communities under the Land Restitution and Agriculture Development programme. The farm was previously planted with sugarcane and fruit, however, commercial farming has since dwindled. Through the Agriculture incubation programme, a market for peaches was identified. The project therefore has a guaranteed market for peaches from Bambanani, a company which has a long standing contract to supply citrus fruit to chain stores such as Pick n Pay. Bambanani has been to the farm and concluded that the initiative would be viable. Furthermore, they have committed to supplying an initial consignment of 1000 peach plants to kick start production.

To this end, Simunye Trust has committed at least 50ha of land to this initiative. On the other hand, the neighbouring farms have allocated 60 ha to make 100 ha for peach planting. The communities have entered into agreements with Bambanani confirming availability of their respective farms.

Activity Plan

Activity Description
Submission and Evaluation of MOU between farmers and Bambanani Fruits
Finalisation and signing of MOU between UDM and Bambanani Fruits
Transfer of Technical Report funds
Technical Report Compilation
Infrastructure Refurbishment
Planting season (1000 -2000 trees)

Project Status

The project budget has been transferred to the agricultural incubator programme to facilitate the undertaking of a technical assessment exercise and the development of a business plan. To date engineers have commenced with technical work on site. Furthermore, applications for funding for infrastructure development and planting of the initial 100 ha have been submitted to Co-operative Governance and Traditional Affairs and the Jobs fund.

4.7.2 Ground Nuts Production

Project name: Ground nuts production

Project beneficiaries: Community (Co-ops under) Inkosi Jiyane/ Inkosi Molefe/ Inkosi Ngobese in Nquthu

Estimated jobs to be created: TBD

Proposed budget: R 500 000

Project Description:

The project entails investigating the viability of planting 500 ha of groundnuts in Nquthu area and the preparation of a business thereof. Ground nuts are apparently a highly demanded commodity in both local and international markets. Furthermore ground nut production is very labour intensive and therefore has potential to create a number of job opportunities.

Currently, have engaged Mabaso Mwandla and local community on the contract for supplying groundnut to Snack-Factory. Hence, the need persist to support communities take advantage of available opportunity and extend available land to at least 2000ha of groundnuts.

Activity Plan

Activity Description
Institutional Arrangement
Confirmation of available land from Amakhosi
MOU between Amakhosi (IngonyamaTrust)and communities
Business Plan compilation
Infrastructure Development
Planting season (1000 -2000 ha)

Project Status

The project has been withheld temporarily due to financial constraints but will be commence in July 2012 during the new financial year.

4.7.3 Msinga Vegetable Production and Pack house

Project name: Msinga Vegetable Production and Pack-house

Project beneficiaries: Primary C-operatives under Msinga Local Municipality

Estimated jobs to be created: 300 (2 people/ ha)

Proposed budget: R 5.5 million

Project description:

The project entails production of vegetables in all accessible and suitable farming areas in Msinga and the re-operationalization of the vegetable Packhouse in Tugela Ferry. The Department of Trade and Industry has been involved in the process of revitalising business activity in this facility. A Service provider was appointed to review the existing business plan, leverage funding for implementation and to secure markets for the produce. To this end, the Department of Rural Development and Land Affairs is committing to at least R28 million rand for the project.

Nevertheless, the success and sustainability of the Packhouse will be dependent on a consistent supply of produce from the producers and the ability for the co-operatives to meet the demands of the markets. It is on this basis that the Municipality deems it necessary to support the initiative by investing in mobilisation of farmer co-operatives, development of irrigation infrastructure and the provision of agricultural inputs in order to catalyse vegetable production.

An area of approximately 150ha along Tugela River opposite Msinga high school under Inkosi Mabaso has been earmarked for large scale vegetable production for year 2011/2012 financial year. While other huge hectares of land remain available and under-developed the current budget will allow council to pilot on this high potential area and further consider the remaining areas during the upcoming financial year. It should be noted that, the Nursery for the whole of Umsinga will have to be established in order to provide sufficient seeds to all local farming community.

It is further encouraging that, the Johannesburg market is committed in procuring tomatoes and potatoes from the area even if the pack-house is not yet operational.

Activity Plan

Activity Description
Institutional Arrangement (Identification of suitable farm lands)
Infrastructure Planning (Pradeep)
Approval of plans and Contractor Engagement
Technical Implementation

Project Status

The project is currently under implementation. The project site has been handed over to the Consultants who have undertaken surveys, tests and prepared designs for the irrigation scheme and fencing. The anticipated date of completion is July 2012.

4.7.4 Establishment of Mechanisation

Project name: Establishment of a mechanisation unit

Project beneficiaries: Farming communities under Umzinyathi District Municipality

Estimated jobs to be created: TBD

Proposed budget: R 2.4 million

Project description:

The mechanisation unit is proposed in order to support the various farming activities in Umzinyathi. The aim is to procure additional farming equipment and implements in order to establish a fully functional mechanisation unit in partnership with the Department of Agriculture Environmental Affairs and Rural Development. Furthermore, the Department of Agriculture has been engaged with an intention to forge strong partnership that will enable and build sufficient capacity for agricultural development. Currently we require a political buy-in from provincial leadership to fast track the processes.

Furthermore, UMzinyathi has re- called the four tractors and implements which were placed in the local Municipalities. To this end, the site for Mechanisation has been identified at Endumeni municipality's workshops on Union Street in Dundee. Hence, the proposal has since been submitted to Endumeni calling for partnership between the district and Endumeni to establish mechanisation unit. It is undoubtedly clear that all the partners will benefit immensely from this initiative.

Activity Plan

Activity Description
Concept Development
Political Engagement
Transfer of Tractors from LMs
MOUs between DAE, UDM and Endumeni
Operationalization of Mechanisation site

Project Status

An advertisement call for Service provider to supply four tractors and agricultural implements was published and has already closed. It is anticipated that an appointment will be made by the end of May 2012.

With regards to the establishment of the actual unit, the municipality has initiated talks with Endumeni Local Municipality to utilize the workshop in Union Street, in Dundee to set up the unit.

Furthermore, talks were initiated with Department of Agriculture, Environment Affairs and Rural Development mechanization unit to collaborate on the initiative. Although there was positive feedback received, there have been no new developments in this regard.

4.7.5 Land Reform Farm Profiling

Project name: Land Reform farm profiling

Project beneficiaries: CPA (Beneficiaries of LRAD farms)

Estimated jobs to be created: TBD

Proposed budget: R 600 000.00

Project Description:

The project entails conducting an assessment of Land Reform farms in order to establish their economic potential and develop interventions which will help to revive economic activity in the farms. Furthermore, business plans will be developed.

Activity Plan

Activity Description
TOR developed and adverts prepared
Spec Committee
Advertisements
Evaluation of bids
Study execution

Project Status

The Land Reform profiling project is under way. Isibuko seAfrika was appointed to undertake this exercise. To date five farms have been identified and an advertisement for the profiling of an additional two farms has been published. The expected completion date for this project is July 2012.

4.7.6 Msinga Tourism Development Concept

Project name: Msinga Tourism Development concept

Project beneficiaries:

Estimated jobs to be created: To be determined by study

Proposed budget: R 300 00.00

Project Description:

The project entails undertaking an investigative study on the tourism potential of Msinga as a whole while also zooming in on KwaKopi as a potential site to develop tourism products. The Municipality received funding from COGTA under the Corridor programme to revamp the KwaKopi curio shop, however there is very, if any economic benefits being derived from this investment. It is on the basis of this that an exercise needs to be undertaken in order to develop a viable concept for the development and promotion of the Tourism sector in Msinga.

Activity Plan

Activity Description
TOR developed and adverts prepared
Spec Committee
Advertisements
Evaluation of bids
Study execution

Project Status

The project has been revised and the focus is now on reviewing the District Tourism strategy which was developed in 2008. This change seeks to ensure that there is an implementable Tourism plan for the municipality, which covers not only Msinga, but all other local municipalities and will assist in unlocking the Tourism potential of Umzinyathi DM. The tender is will be awarded towards the end of May 2012 and it is expected that the project will be completed by August 2012.

4.7.7 UMzinyathi Poultry Initiatives

Project name: Umzinyathi poultry initiative

Project beneficiaries: Primary co-operatives under Umzinyathi District

Estimated jobs to be created: TBD

Proposed budget: R 500 000.00

Project description:

The project entails conducting of a feasibility study for establishment of an integrated poultry industry that will consist of poultry houses and an abattoir within the District. In case where the concept is deemed feasible, a detailed business plan will then be compiled. Furthermore, the exercise will look at possible markets i.e. whether through the Adluck initiative or a different market.

Activity Plan

Activity Description
TOR developed and adverts prepared
Spec Committee
Advertisements
Evaluation of bids
Study execution

Project Status

A Service provider to undertake this exercise has been appointed and to date they have produced an inception report and have commenced with consultative processes, the anticipated completion date is the end of July 2012.

4.7.8 Heritage Liberation Route

Project description: Heritage Liberation Route

Project beneficiaries: TBD

Proposed budget: R 500 000.00

Project description:

This project is aimed at promoting Tourism through the revival and resuscitation of liberation heritage routes that exist within Umzinyathi District. It serves as response to the National Government initiative to rebuild the economy and tourism around liberation routes. Undoubtedly, the project will enjoy strong support from the National Government and through the business plan that will be compiled, resource will be mobilised from all relevant sources.

Activity Plan

Activity Description
TOR developed and adverts prepared
Spec Committee
Advertisements
Evaluation of bids
Study execution

Project Status

The project is currently under way. Synetics (Pty) Ltd has been appointed to undertake the project. There have been numerous consultations undertaken and a detailed inception report has been produced. The anticipated completion date for this project is July 2012.

4.7.9 Seda Construction Incubator

Project description: SEDA construction incubator

Project beneficiaries: Black/ emerging female contractors.

Estimated jobs created:

Proposed budget: R 900 000.00

Project description:

The Construction incubator was piloted in 2009 in order to redress imbalances in a sector which had a history of being dominated by males and the historically advantaged. The aim of the initiative is to capacitate the emerging contractors through training in soft skills (business management) and provide mentorship in the successful execution of projects.

The 30 female contractors who were part of the initial intake into the programme are scheduled to exit the programme in March 2012; however there are still some incubator participants who have not yet advanced in their CIDB register grading. The Municipality, together with SEDA construction Incubator has developed a plan to ensure that all incubates advance to at least level 3 in the CIDB register. Additional funding is therefore required in order to extend the scope of work of SCI by an additional quarter so as to achieve this target.

It is regrettably noted that a delay in appointments or awarding of projects to some of the contractors has had an adverse effect towards the progress of the contractors. Therefore it is necessary for Seda Incubator to support and mentor these contractors at least until December 2012. However, the current budget allocation will cater for a period ending June 2012. During the upcoming financial year a further allocation of R900 000 will be made to accommodate two remaining quarters of mentorship.

Project Status

The contract of SEDA Construction Incubation (SCI) was extended to the end of December 2012 to enable the realization of the objectives of the projects to ensure that all incubatees advance at least one CIDB level than the level they were at when enrolling into the programme. To this end, the municipality has ring-fenced more projects in order to assist the process.

4.7.10 Nquthu Sheep Farming Project

Project description: Sheep Farming

Proposed budget: R 1 000 000.00

Job Creation: 100

Project description

Nquthu area of jurisdiction is generally known for its suitability in sheep farming; hence the youth cooperatives have identified this opportunity and seek to create opportunities for economic prosperity and jobs for local needy young people. Thus, the co-operatives require capital investment of at least R1 million rand to provide for infrastructure development and acquisition of initial stock to kick-start the project. The detailed business plan has been submitted for consideration by council.

Project Status

The Service Provider to prepare designs and render project management services was appointed. To date the final designs have been prepared and presented to the municipality. The Consultants are currently preparing a bill of quantities. The anticipate completion date is the end of July 2012.

4.8 LOCAL ECONOMIC DEVELOPMENT SPATIAL ECONOMIC VISION

The Department of Economic Development and Tourism is in the process of developing Spatial Economic Zones in all the ten (10) districts and metro in the province. The concept of the Spatial Economic Zones is at the initial stage at the present moment but the idea of developing the economic zones will be based on the comparative advantage of each district and also its competitiveness. In terms of Umzinyathi District Municipality, the Spatial Economic Zone to be developed will be based on the revival of mining to make Umzinyathi DM as a mining hub to facilitate economic growth. More prospects on mining especially around Dundee area have been brought to the Department of Mineral Resources and several mines are in the process of being established, which will result in more job opportunities being created. Other prominent sectors in the district like Tourism and agriculture would serve as supporting sectors to the Spatial Economic Zone.

The establishment of the Spatial Economic Zone on mining in Umzinyathi DM is also based on the development of the corridor which will link Newcastle – Dundee – Msinga and Dube Trade Port to ensure direct linkage with King Shaka Airport in terms of transportation of goods and services and also with Richards Bay in terms of the harbour. This process is at its initial stage and details of this process will be provided in the next IDP Review after detailed studies have been undertaken and process of obtaining approval have been finalised.

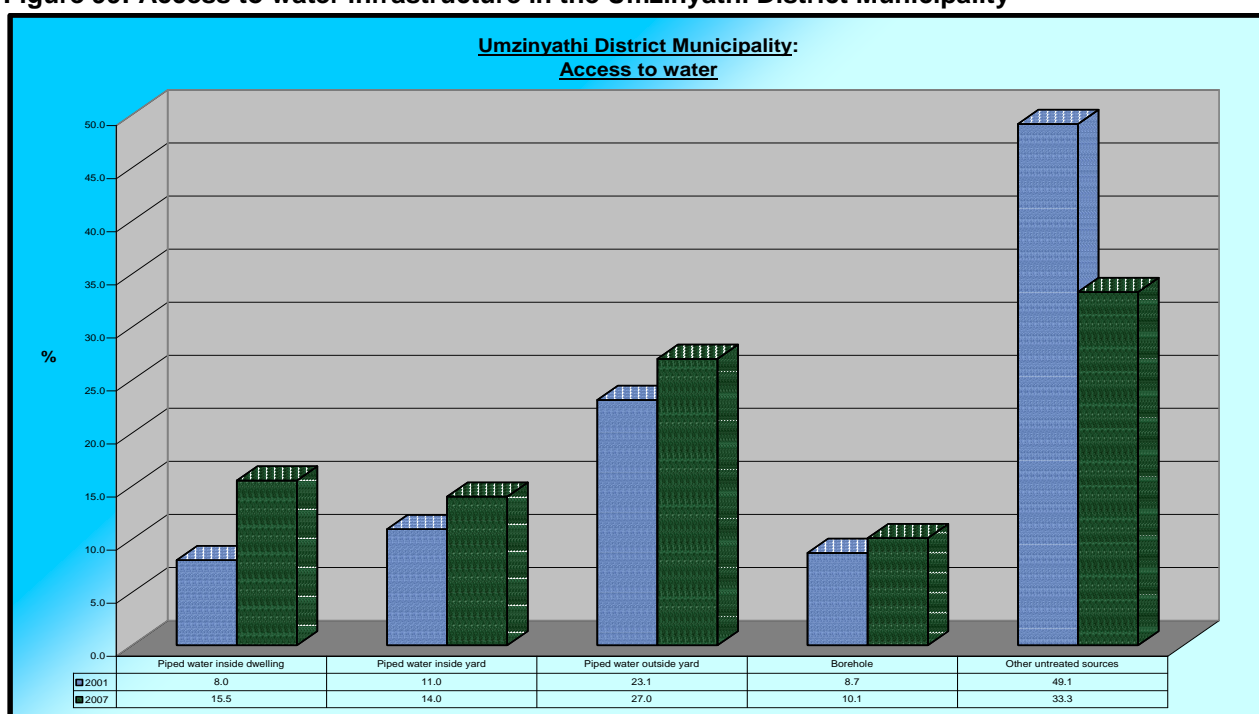
CHAPTER 5: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

5.1 ACCESS TO INFRASTRUCTURE SERVICES

5.1.1 Access to Water

The provision of basic water infrastructure within the Umzinyathi DM has shown significant improvements over the period 2001 to 2007. The proportion of households receiving piped water inside their dwellings nearly doubled from 8% in 2001 to 15.5% in 2007. The proportion of households with piped water inside their yards increased from 11% to 14%, and those with access to piped water outside their yards from 23.1% to 27%. Moreover, over the same period, the proportion of households reliant on other untreated sources of water decreased from 49.1% to 33.3% in 2007. Despite these significant improvements, it also implies that approximately one third of households are still reliant on untreated sources of water.

Figure 99: Access to water infrastructure in the Umzinyathi District Municipality

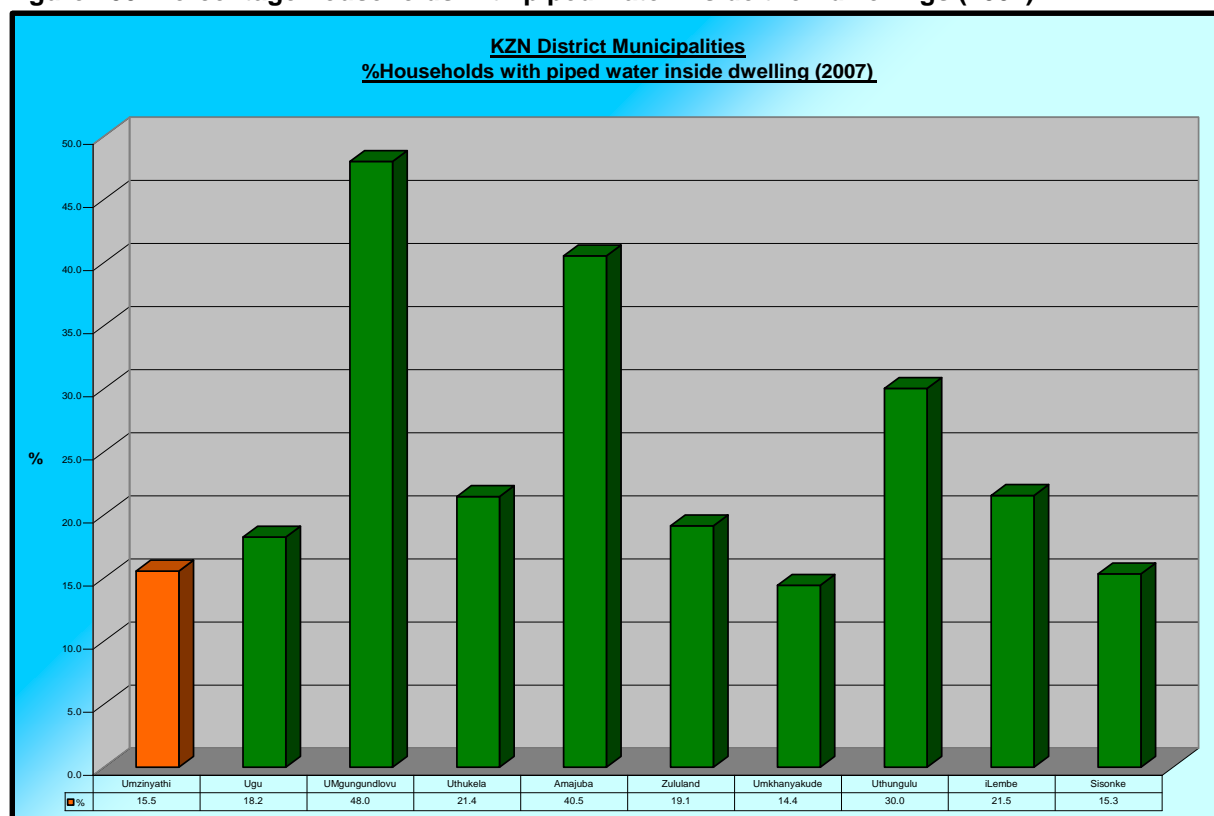


*Source: Stats SA: Census 2001
Stats SA: Community Survey 2007*

Despite the significant improvements in the delivery of basic water infrastructure in the Umzinyathi DM, the extent of the remaining challenges within a provincial context are clearly depicted in Figures 100 and 102. This information indicates that the 15.5% of households with piped water inside their dwellings in the Umzinyathi DM rates amongst the three lowest figures of the ten districts within the province. At the other

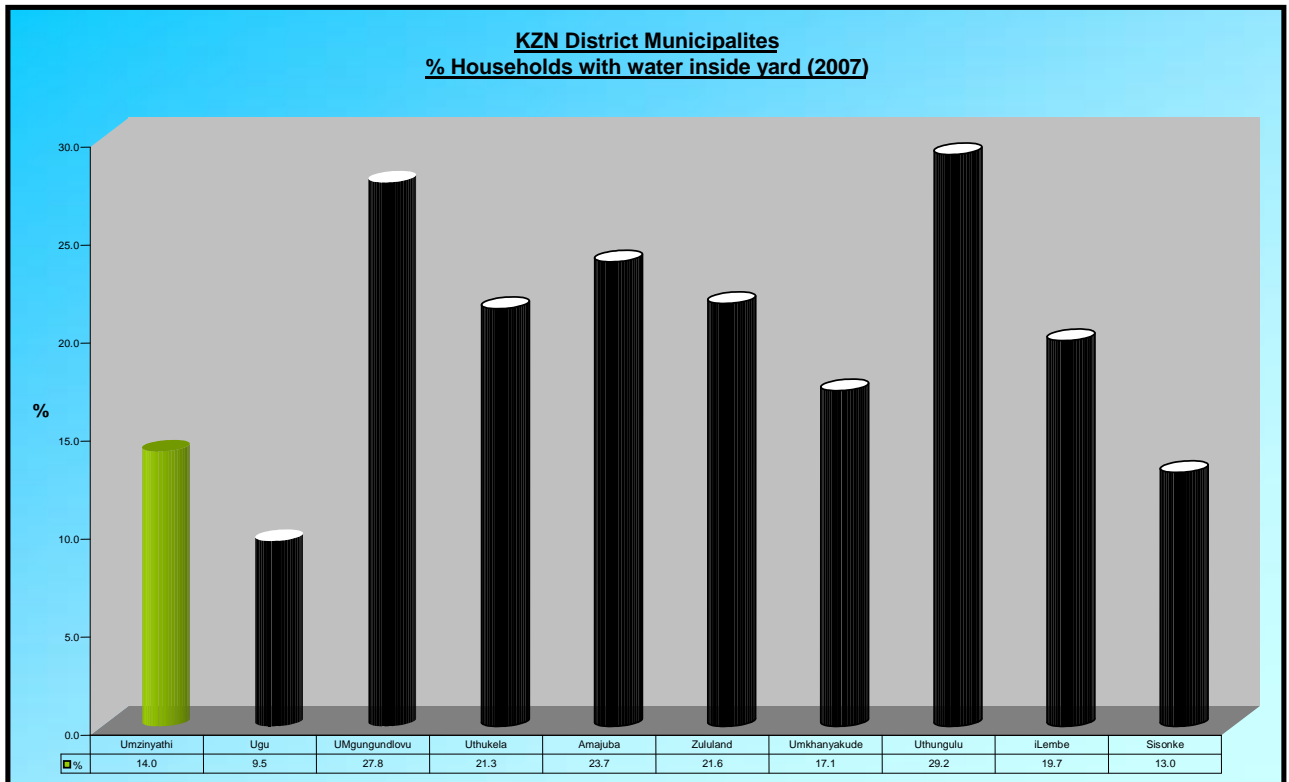
end of the scale, the 33% of households in Umzinyathi DM which are still reliant on other untreated sources of water is the third highest figure in Kwazulu-Natal after the Zululand DM (41.8%) and the Sisonke DM (45.5%).

Figure 100: Percentage households with piped water inside their dwellings (2007)



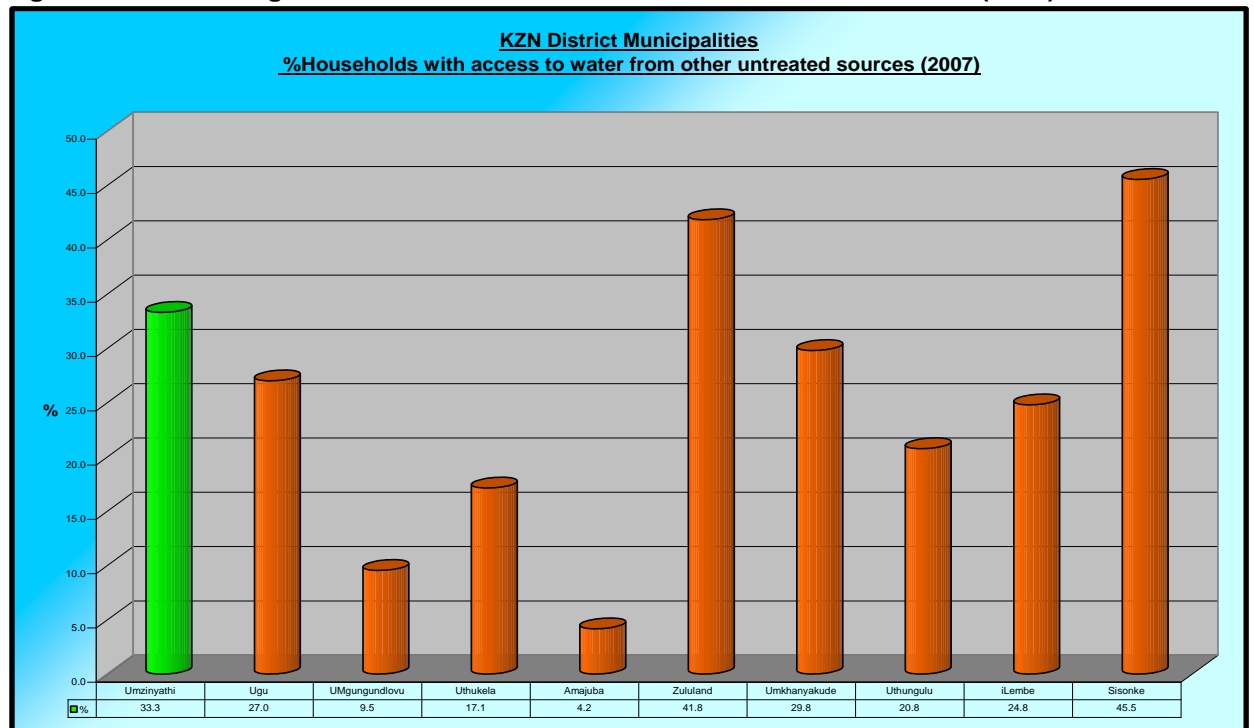
Source: Stats SA; Community Survey 2007

Figure 101: Percentage households with water inside their yards (2007)



Source: Stats SA; Community Survey 2007

Figure 102: Percentage households reliant on other untreated water sources (2007)



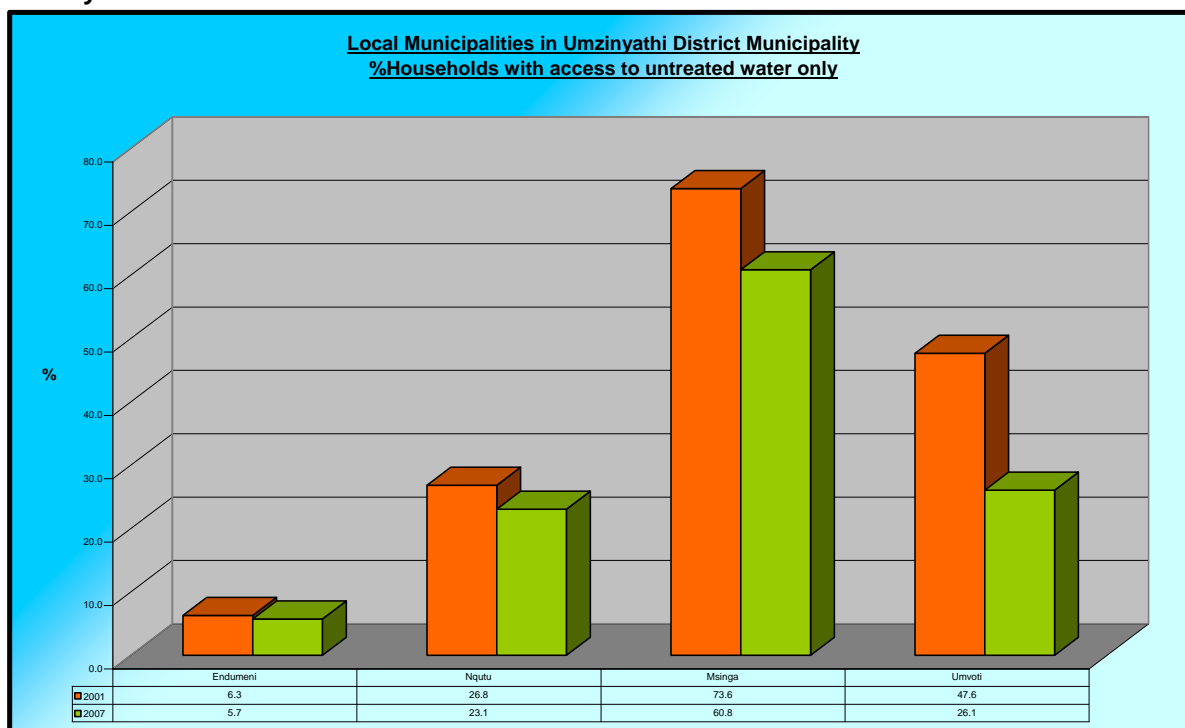
Source: Stats SA; Community Survey 2007

The significant differences in the level of basic water infrastructure in the various local municipalities across the district is clearly depicted on Figure 80 which shows the proportion of households reliant on untreated sources of water. This figure range from as low as 5.7% of households in the eNdumeni LM, to between 23% and 26% in the Nquthu and Umvoti LM's, and a very high figure of 60.8% in the Msinga LM.

The situation in the various Local Municipalities can be summarized as follows:

- The proportion of households in the eNdumeni LM with piped water inside their dwellings increased from 37.2% to 57.4% between 2001 and 2007.
- Only 3.7% and 12.6% of the households in Nquthu LM had access to piped water inside their dwellings and inside their yards respectively in 2007. However, as much as 51.3% of households did have access to piped water outside their yards. A high proportion of 23.1% still only had access to other untreated water sources.
- A total of 26.6% of households in the Umvoti LM have access to pipe water inside their dwellings and 24.7% to pipe water inside their yards. The proportion of households reliant on other untreated sources of water decreased from 47.6% in 2001 to 26.1% by 2007.
- Less than 1% of households in the Msinga LM had access to piped water inside their dwellings and only 1.5% to pipe water inside their yards by 2007. Conversely, as much as 60.8% of households were still reliant on other untreated sources of water (despite decreasing from 73.6% in 2001).
- The spatial distribution of different levels of access to water infrastructure is depicted on the attached thematic map. The very high concentration of households below the minimum level of water infrastructure provision in the Msinga and Nquthu Local municipalities is clearly evident.

Figure 103: Percentage of household with access to untreated water only in the Umzinyathi DM

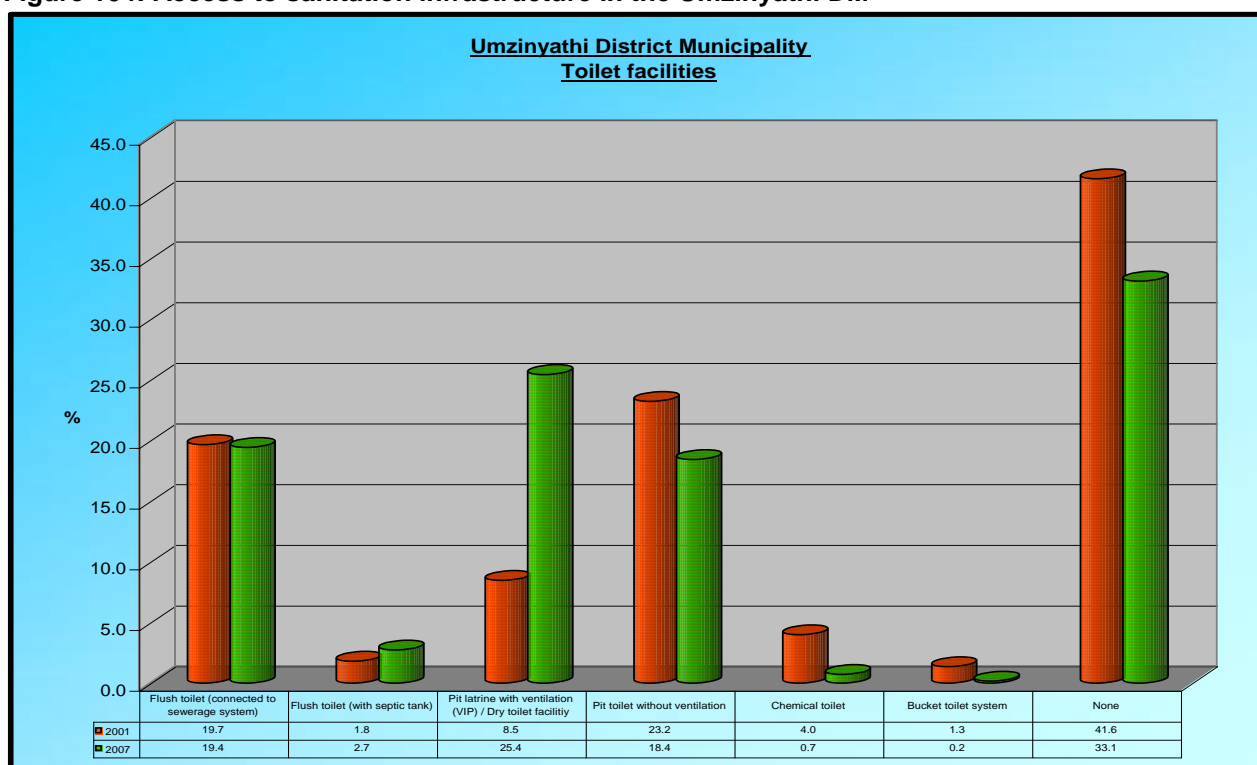


*Source: Stats SA: Census 2001
Stats SA; Community Survey 2007*

5.1.2 Access to Sanitation Facilities

A comparative overview of the availability of sanitation infrastructure in the Umzinyathi DM is outlined in Figure 104. This information indicates that the proportion of households with flush toilets (either connected to a water borne sewerage system or septic tank) is approximately 22.3%. This figure remained relatively unchanged between 2001 and 2007. A notable feature is the significant progress which has been made with the provision of basic sanitation facilities such as ventilated improved pit latrines (VIP's) and other dry toilet facilities. The proportion of households with access to these types of facilities increased from 8.5% to 25.4% between 2001 and 2007. Over the same period, the proportion of households with access to unimproved pit latrines decreased from 23.2% to 18.4% and those without access to any form of sanitation infrastructure from 41.6% to 33.1%. These figures also imply that as much 52% of all households in the district municipality still did not have access to sanitation facilities meeting the minimum required standards by 2007.

Figure 104: Access to sanitation infrastructure in the Umzinyathi DM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

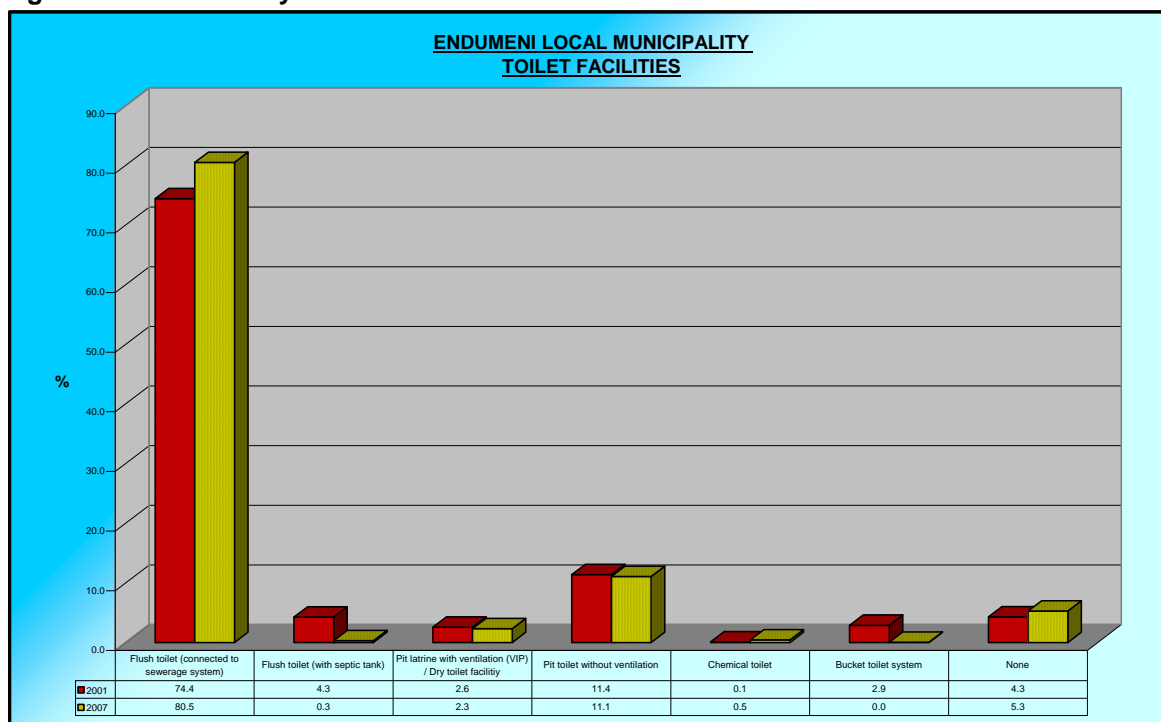
The availability of basic sanitation infrastructure in the various local municipalities within the Umzinyathi DM is summarized in Figures 105 to 108. This information indicates a number of important characteristics:

- More than 80% of households in the eNdumeni LM had access to a water borne sanitation system by 2007. Only 11% of households were reliant on unimproved pit latrines and a further 5% were without any form of sanitation facilities.
- The vast majority of households in the Nquthu LM did not have access to sanitation facilities at the minimum required standards by 2007. A total of 38.6% of households did not have any form of sanitation facilities, and a further 33.7% were utilizing unimproved pit latrines. A further notable trend has been the proportional increase in the number of households falling within these two categories. Only 23.4% of all households had access to a Ventilated Improved Pit latrine or other dry toilet facility.
- Significant progress has been made with the provision of basic sanitation infrastructure in the Msinga LM. The proportion of households provided with Ventilated Improved Pit latrines or dry toilet facilities increased from 5.1% to

38% between 2001 and 2007. Over the same period, the proportion of households without any form of sanitation facilities decreased substantially from 70% to 48.9%.

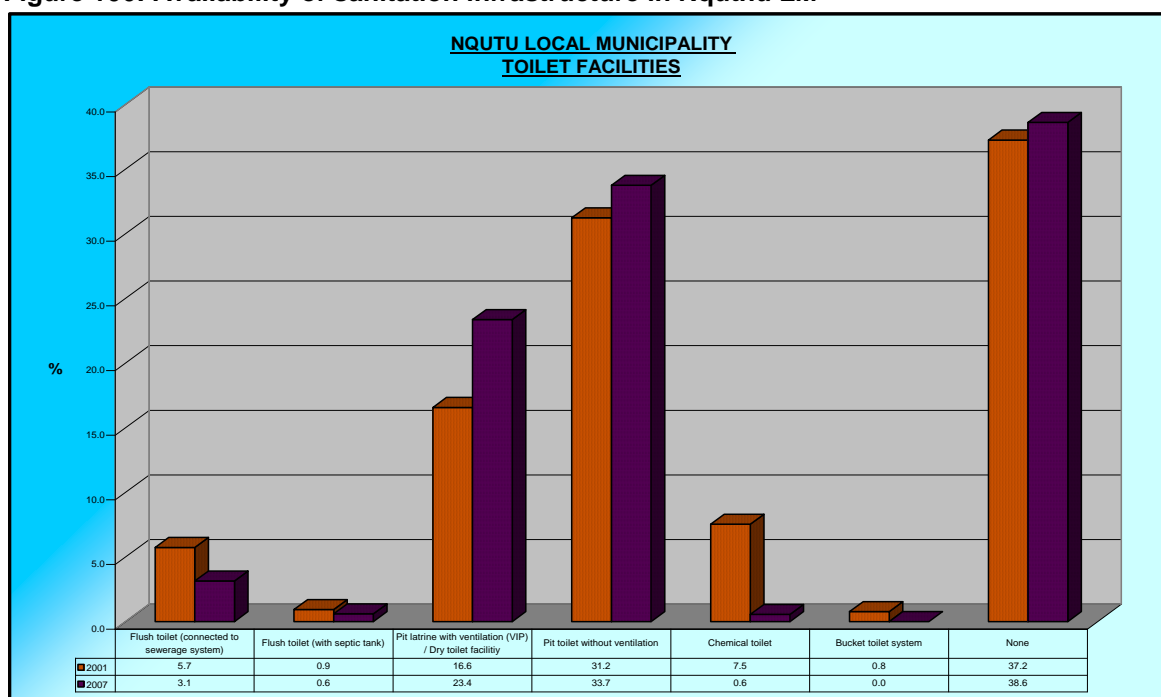
- Substantial progress has also been made in the Umvoti LM with the provision of basic sanitation facilities between 2001 and 2007. The proportion of households with access to water borne sanitation system increased from 30.8% to 40.3% over this six year period. The proportion of households with access to Ventilated Improved Pit latrines or other dry toilet facilities also increased markedly from 7.8% to 24.4%. Conversely, the proportion of households reliant on unimproved pit latrines decreased from 29.1% to 12.9%, and those without any form of sanitation from 26.3% to 21.3%.
- During 2008/09, the municipality managed to make significant progress in terms of eradicating the bucket system

Figure 105: Availability of sanitation infrastructure in eNdumeni LM



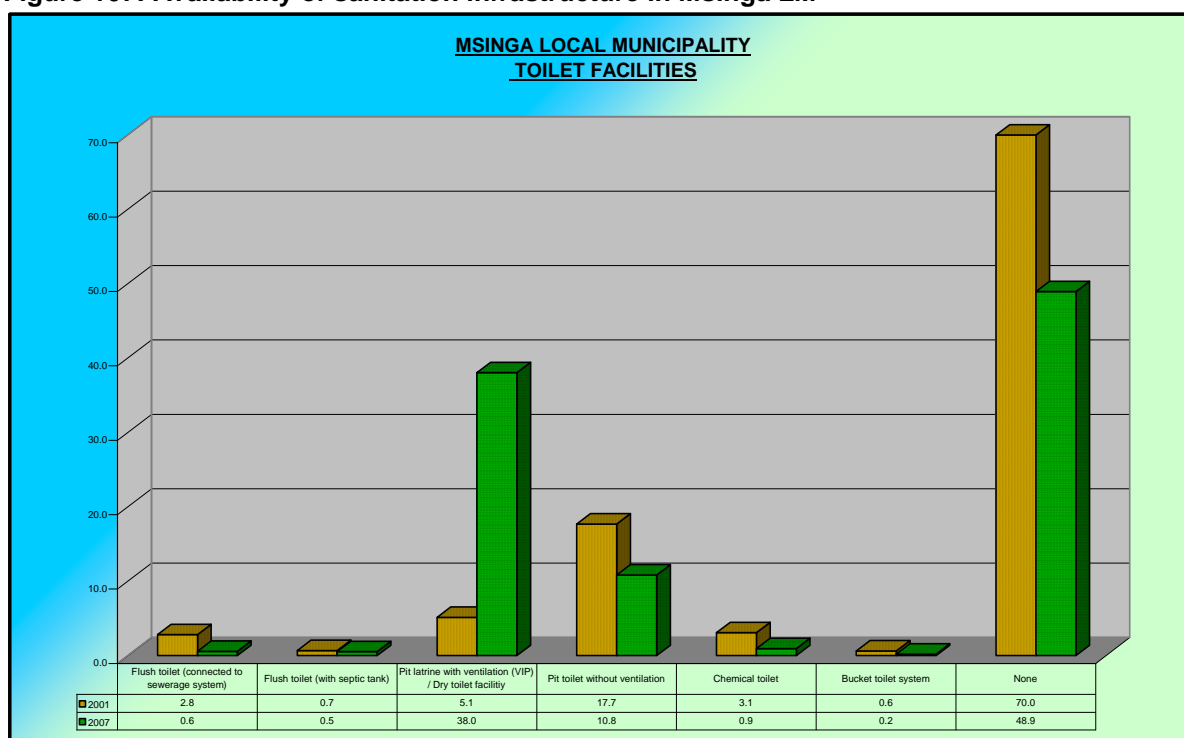
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 106: Availability of sanitation infrastructure in Nquthu LM



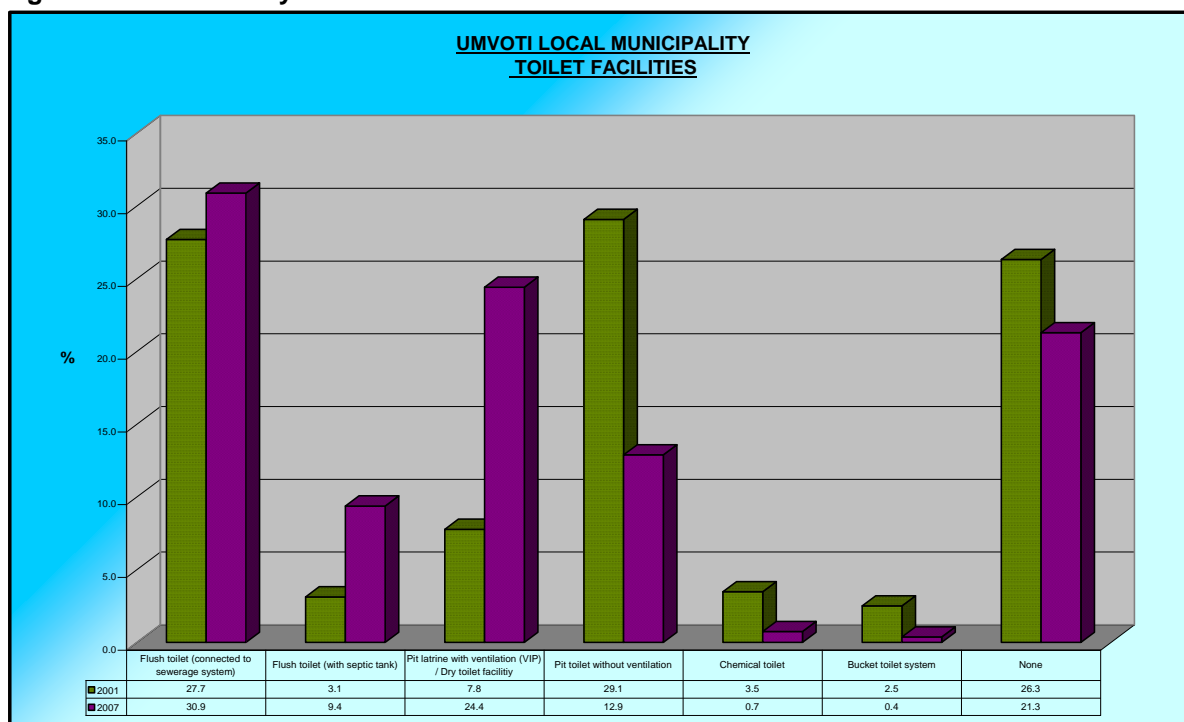
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 107: Availability of sanitation infrastructure in Msinga LM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 108: Availability of sanitation infrastructure in Umvoti LM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

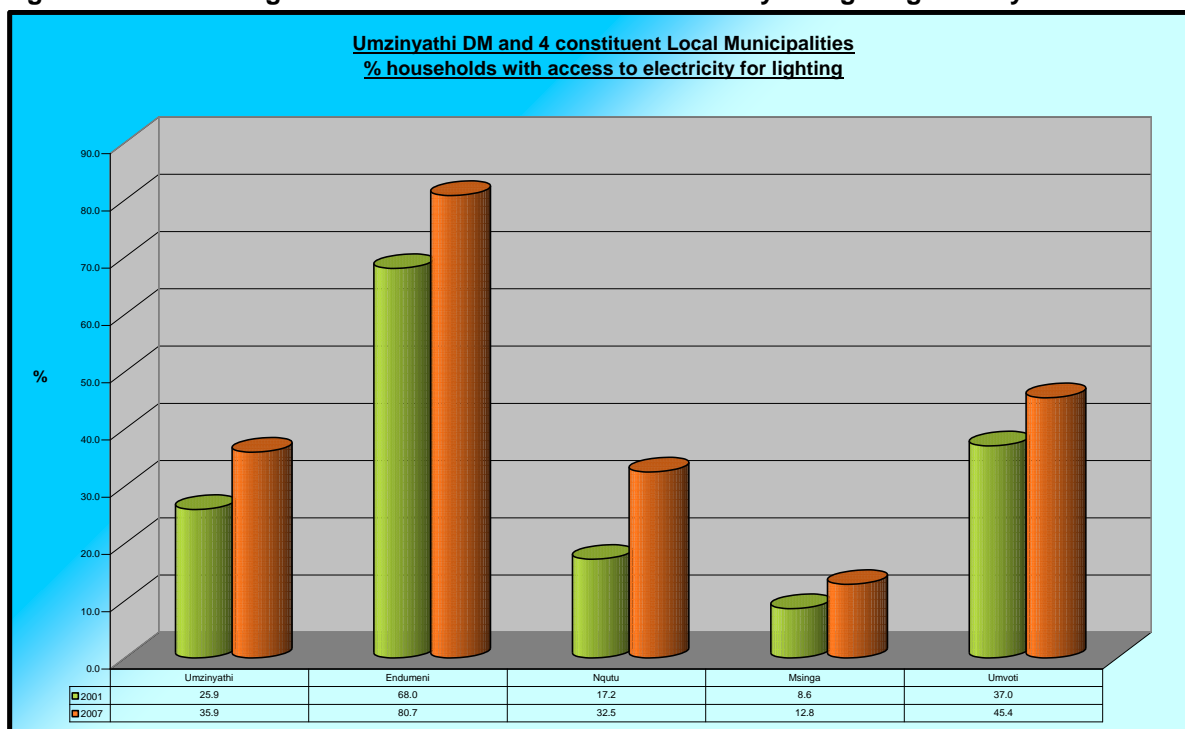
5.1.3 Electricity

The information depicted in the figure below indicates that significant progress has been made with electrification of the Umzinyathi district between 2001 and 2007. The percentage of households with access to electricity for lighting purposes, have increased from 25.9% to 35.9%. Despite this significant improvement, it still implies that nearly two thirds of the total population of the district does not have access to electricity.

Overall, the levels of electrification in Umzinyathi DM are very low compared to the other districts within KwaZulu-Natal (see Figure 109). This information indicates that the percentage of households electrified in Umzinyathi is the second lowest in the province after the 33.6% of Umkanyakude DM. In most other districts, in excess of 60% of households do have access to electricity for lighting purposes. Significant differences are also prevalent amongst the four local municipalities within the district. The municipal level characteristics can be summarized as follows:

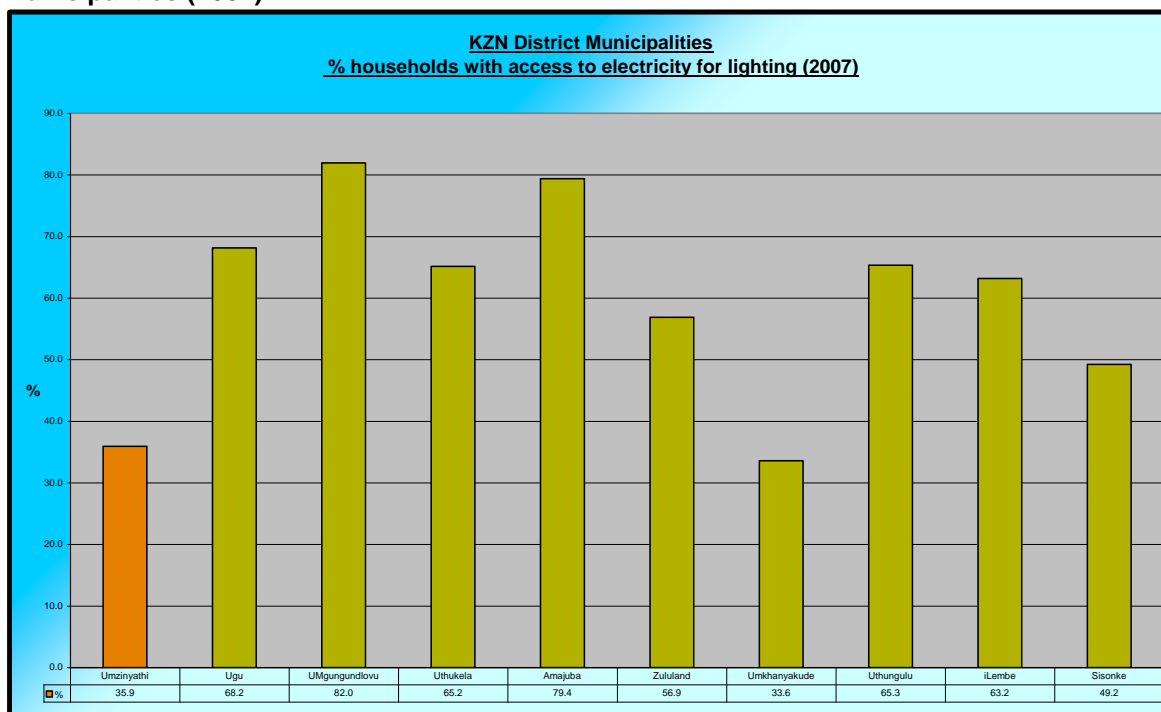
- As much as 80% of households in the eNdumeni LM have access to electricity;
- Although significant progress has been made in both the Nquthu and Msinga LM's, only 32.5% and 12.8% of households did have access to electricity in 2007; and
- Approximately 45% of households in the Umvoti LM had access to electricity for lighting purposes.

Figure 109: Percentage households with access to electricity for lighting Umzinyathi DM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 110: Percentage households with access to electricity for lighting KZN District Municipalities (2007)

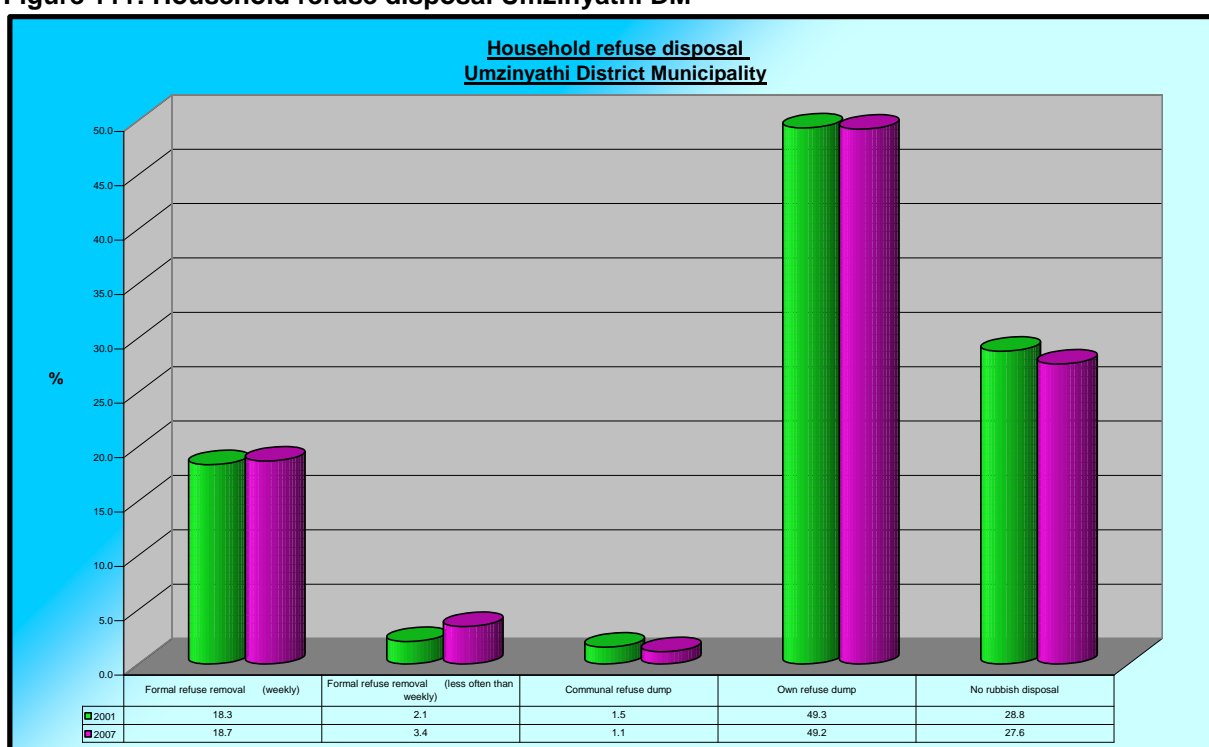


Source: Stats SA; Community Survey 2007

5.1.4 Waste Disposal

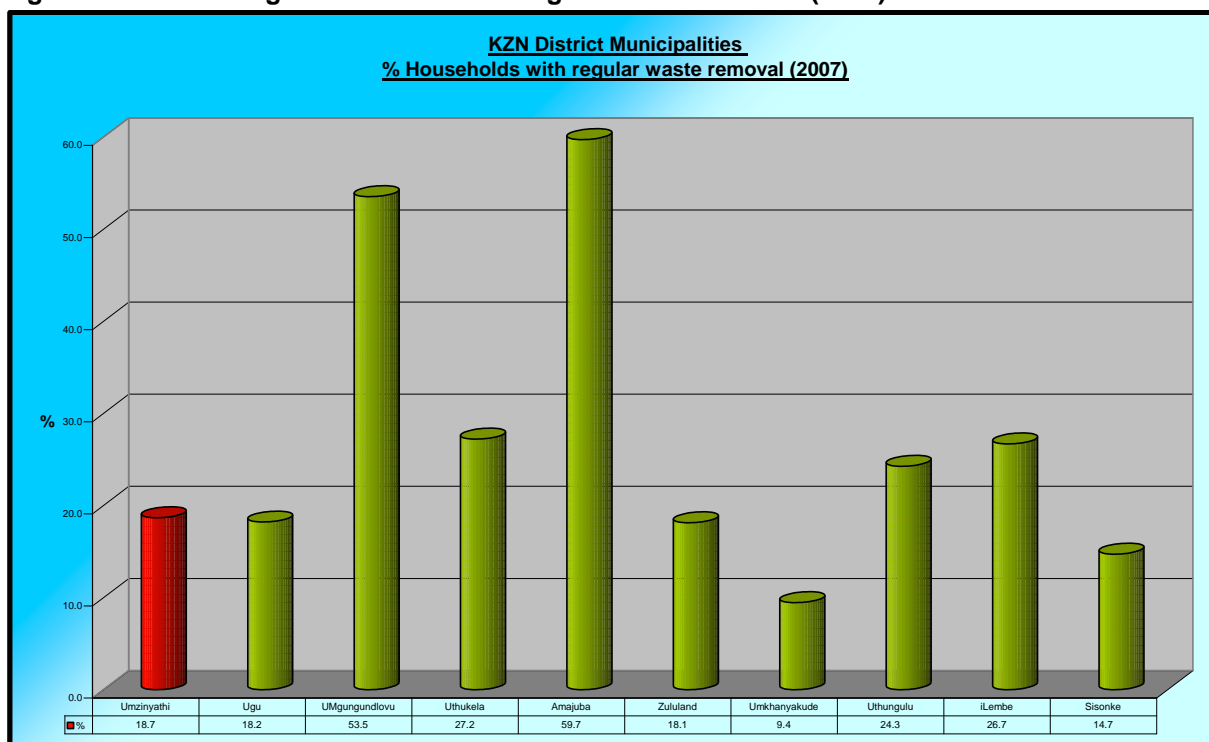
The provision of refuse removal services in Umzinyathi DM is very limited. According to the information in Figure 111 less than 20% of all households in the district receive a regular formal refuse removal service. As much as 49.2% of households make use of their own refuse dumps, and a further 27.6% does not have access to any form of waste disposal service. A further aspect of concern is that the availability of refuse removal services have not improved over the period 2001 to 2007. These low levels of services provision with regards to waste removal services in Umzinyathi DM are not unlike the situation in most other district municipalities within the province (see Figure 34), with figures very similar to those of Ugu, Zululand and Sisonke DM's. These statistics clearly highlights the challenges of providing an effective waste removal services in vast rural communities.

Figure 111: Household refuse disposal Umzinyathi DM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 112: Percentage households with regular waste removal (2007)

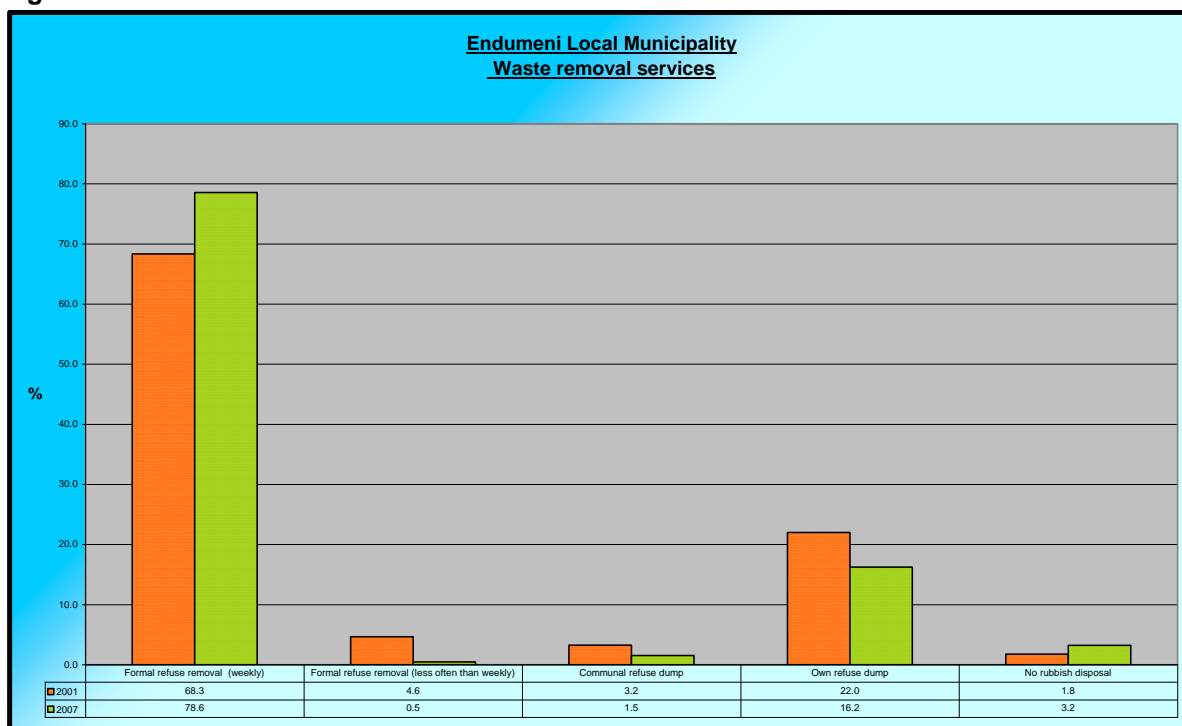


Source: Stats SA; Community Survey 2007

An overview of waste removal services at local municipality level is summarized in the subsequent graphs. This information indicates the following trends:

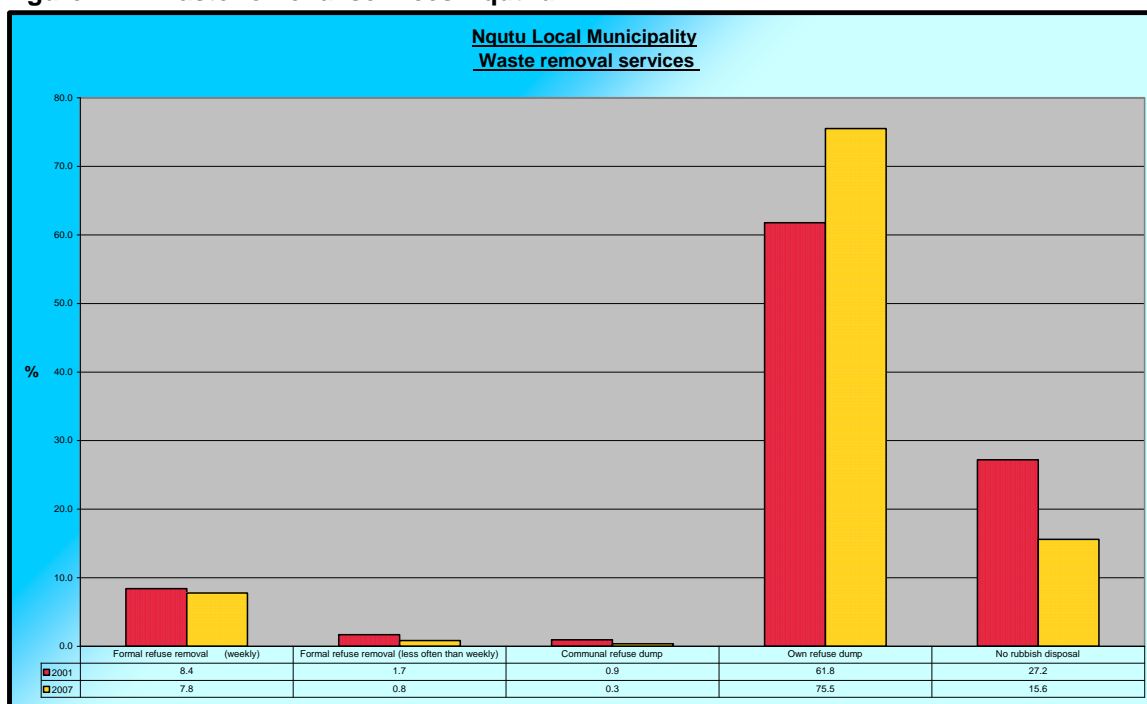
- The majority of households in the eNdumeni LM (78.6%) are provided with a regular formal refuse removal service. Only a small proportion of households makes use of their own refuse dumps or does not have access to any form of disposal.
- The provision of formal waste removal services in the Nquthu LM is very limited and as much as 75.5% of households make use of own refuse dumps, and a further 15.6% does not have access to any form of disposal.
- No formal refuse removal service is rendered in the Msinga LM. As much as 61.4% of households do not have access to any form of waste disposal, with a further 37% utilizing own refuse dumps.
- A total of 23% of households in the Umvoti LM receive a weekly formal refuse removal service. A further 12.3% has indicated a less frequent service. More than 62% of households utilize own refuse dumps or does not have access to any form of waste disposal service.
- The spatial distribution of the availability of municipal refuse removal services is depicted on the attached thematic map.

Figure 113: Waste removal services in eNdumeni LM



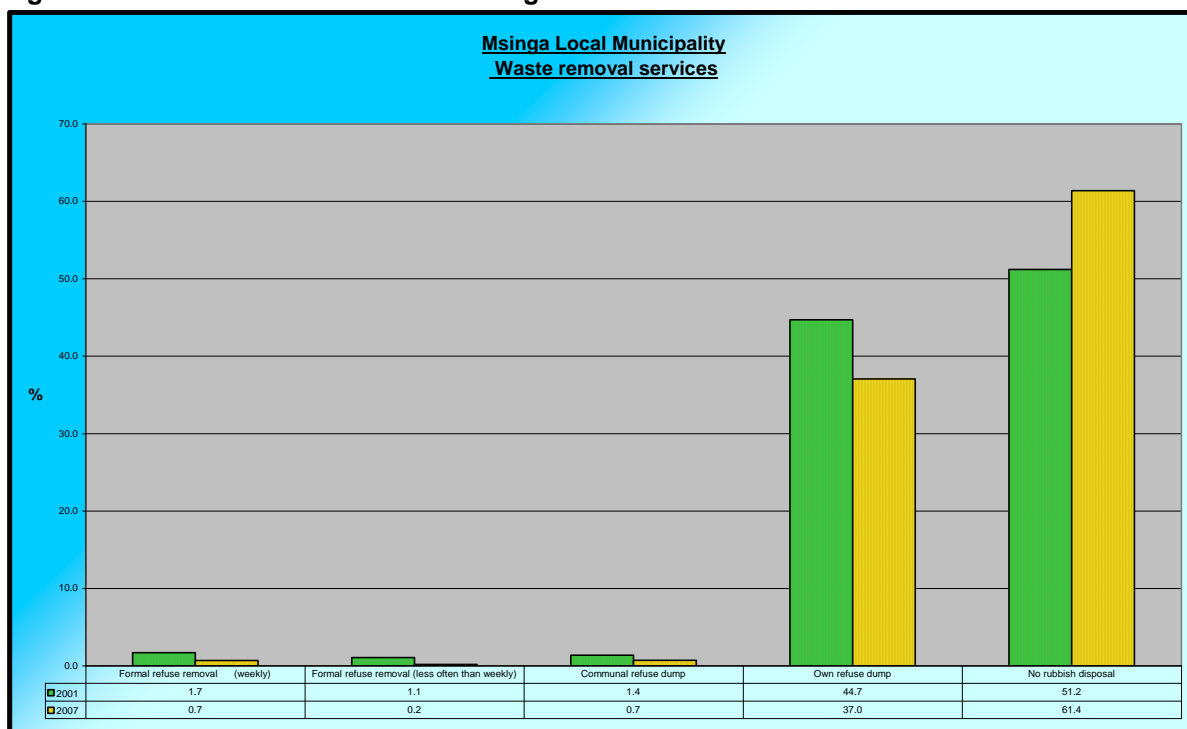
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 114: Waste removal services Nquthu LM



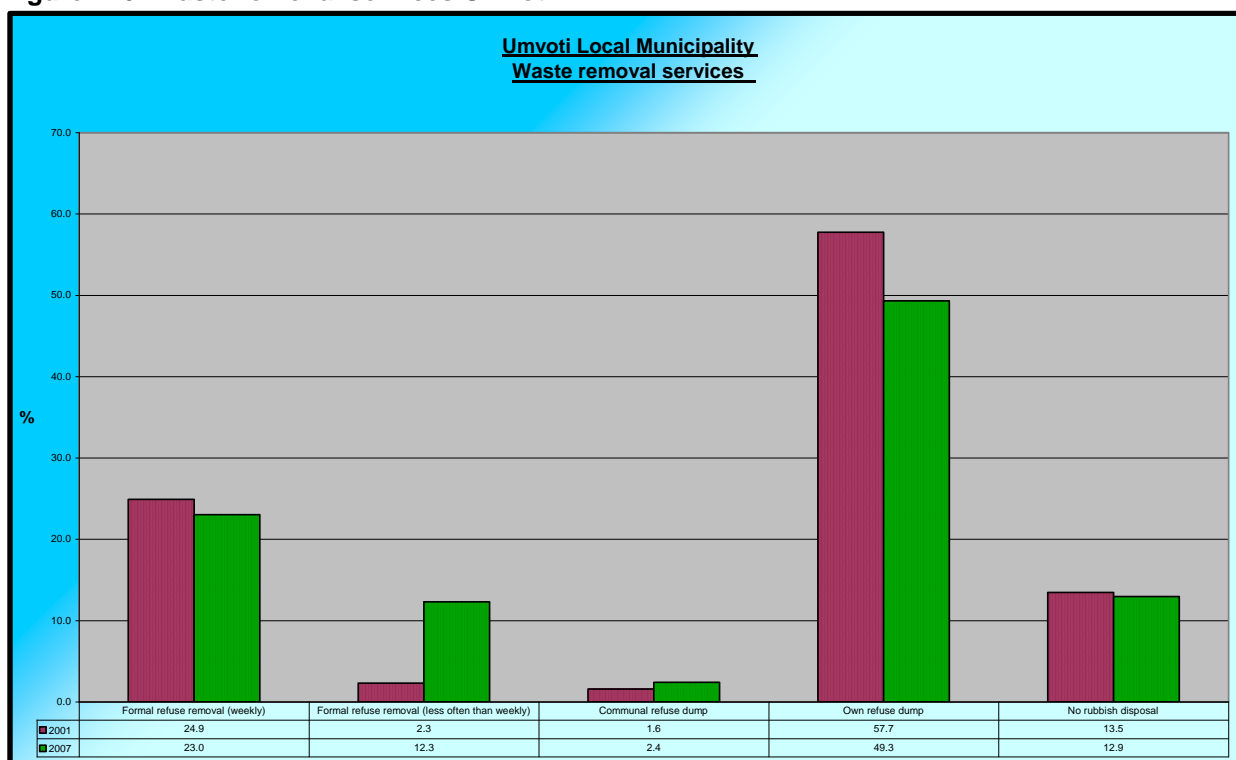
Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 115: Waste removal services Msinga LM



Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

Figure 116: Waste removal services Umvoti LM

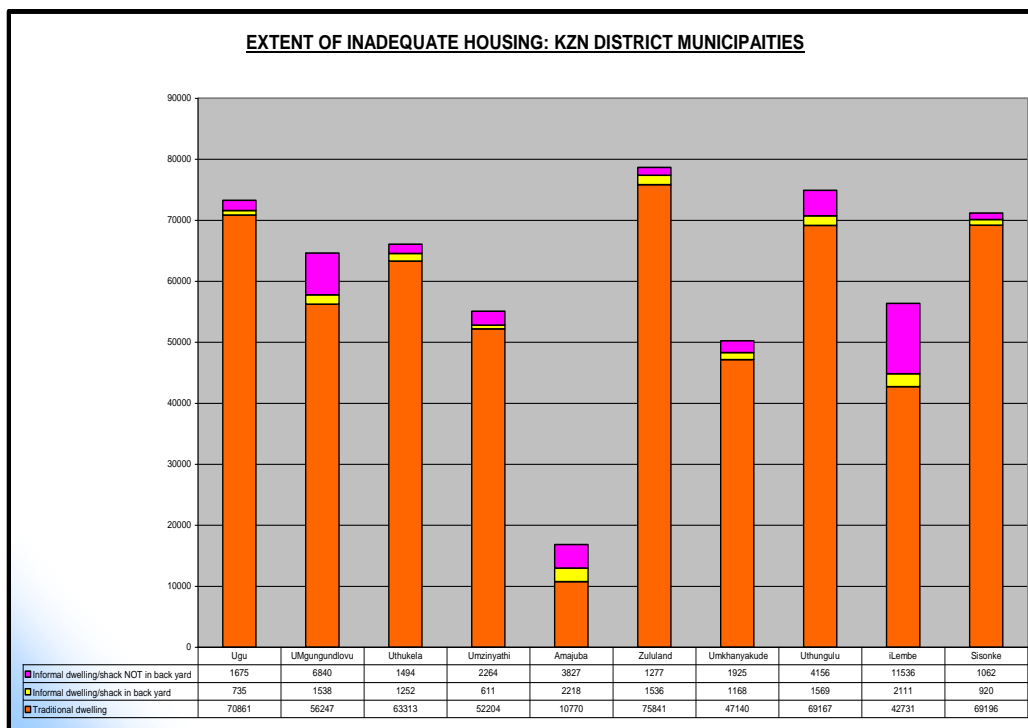


Source: Stats SA: Census 2001
Stats SA; Community Survey 2007

5.1.5 Housing

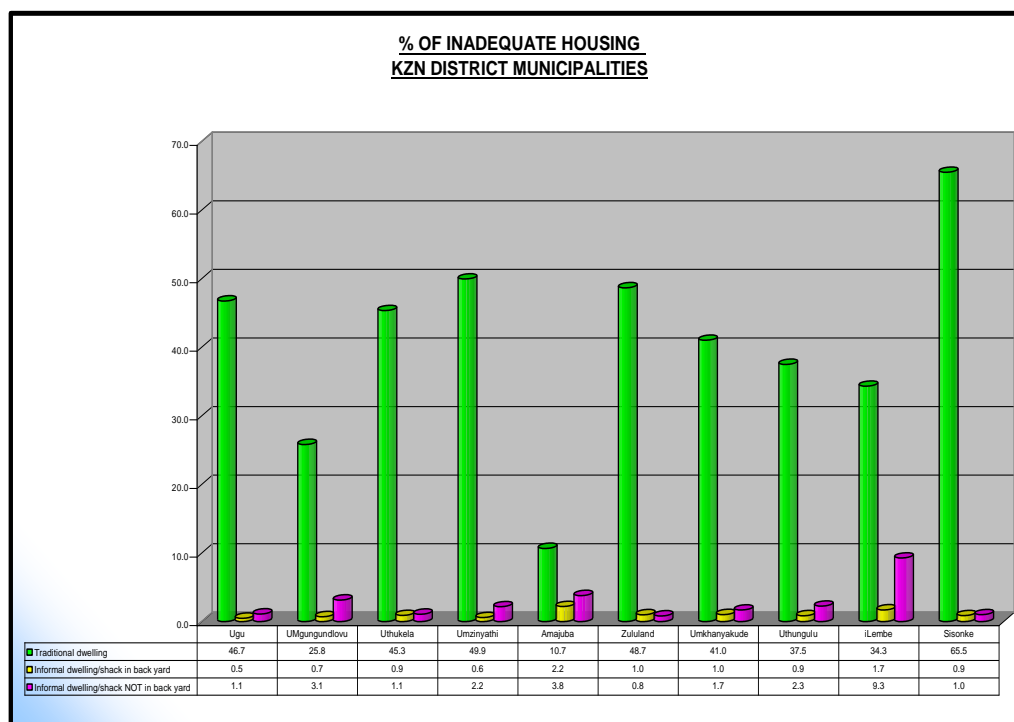
The extent of inadequate housing in Umzinyathi DM is approximately 55 000 units. This figure consists of around 52 000 households residing in houses constructed of traditional materials, approximately 2 200 housing in informal dwellings, and a further 600 in informal dwellings in backyards. There is thus a substantial need for appropriate housing provision across the entire district. The comparative analysis of the proportion of inadequate housing amongst the various districts in KwaZulu-Natal as depicted in Figure 117 indicates that the Umzinyathi DM has the second highest proportion of households residing in traditional dwellings (49.9%) in the province after the Sisonke DM.

Figure 117: Extent of inadequate housing



Source: Stats SA, Community Survey 2007

Figure 118: Percentage of inadequate housing in KZN DM's



Source: Stats SA, Community Survey 2007

5.2 BULK WATER AND SANITATION STRATEGY

Umzinyathi DM is the Water Services Authority (WSA) for the entire district in terms of Section 1 of the Water Services Act, 1997. In order to efficiently plan the development of water services in the DM's jurisdictional area, and has a Water Services Development Plan which assists the municipality to align the projects set out by the Water Services Authority and that of the IDP in terms of providing water and sanitation services to the entire district. It also helps with understanding the water services requirements and to effectively plan and manage the projects.

During the current financial year, the municipality developed a bulk water and sanitation strategy which has quantified the backlogs for each local municipality, funding required to eradicate backlogs and also funding sources. The Strategy for water is as follows:

- Too many small stand alone schemes are being planned;
- Planned schemes are very costly – above the Department of Water Affairs bench mark guidelines.

- Serious concerns relate to the availability of reliable and sustainable water sources in the district;
- Strategic issues to be addressed:
 - Bulk Schemes to be assessed to extend services to other areas;
 - Benefits – reduced capital costs;
 - Sustainable water sources as many bore holes are drying up;
 - O&M Costs Reduced;
 - Shorten construction time and increase speed of service delivery; and
 - Avoid duplication of bulk infrastructure costs.

The Strategy for sanitation is as follows:

- Sanitation Area Based Business Plans were prepared to address the Backlogs at:
 - Umvoti
 - Msinga
 - Nquthu
- Intensive reconciliation made against Stats 2007 Survey.
- Significant migration patterns across Wards and Increase in population has been observed;
- Actual households count from recently approved Sanitation Business Plans has supported significant population growth and household counts;
- Ward Councillors have to endorse business plans to eradicate sanitation backlogs; and
- Business Plans have been submitted to the Department of Water Affairs for Approval.

The water and sanitation funding requirements for the district and local municipalities as determined through the bulk strategy to eradicate backlogs thereby meeting the Millennium Development Targets are as follows:

Water Funding Requirements

- Umvoti LM - R308m
- Nquthu LM - R750m
- Msinga LM - R 1,121 m
- Endumeni LM - R800 m

- Total funding requirements for the entire district is estimated to be approximately R 2.979 Billion, totaling to R3 Billion

Sanitation Funding Requirements:

- Endumeni - R 40 million (water borne)
- Umvoti - R 60 million (basic)
- Msinga – R160 million (basic)
- Nquthu – R 134 million (basic)
- Total funding requirements for the entire district is estimated to be approximately R 394 million.

During the current financial year, the municipality aims to reduce the water backlog which is 33% (32917 households) by 8% (2618 households), and sanitation backlog which is 18% (17712 households) be reduced by 21% (3800 households) thereby improving access to communities within the RDP standards.

By the end of the 2011/12 financial year, the backlogs for infrastructural services will be as follows:

Table No 10: Water, Sanitation, Electricity and Refuse Removal – 2012/13 backlogs	
Backlogs	Percentage
Water	32%
Sanitation	15%
Electricity	64%
Refuse	80%

Source: Stats SA, Community Survey 2007

5.2.1 2012/13 Plan for Reduction of Backlogs

• Water

During 2012/13 financial year, the municipality aims to reduce the water backlog which will be 32% (30299 households) by 8% (2338 households) thereby improving access to communities within the RDP standards, the percentage reduction of the backlogs is based on the allocation provided by Municipal Infrastructure Grant.

• Sanitation

The municipality aims to reduce the sanitation backlog which will be 15% (13912 households) by 27% (3800 households) thereby improving access to communities

within the RDP standards, the percentage reduction of the backlogs is based on the allocation provided by Municipal Infrastructure Grant.

- **Electricity**

The provision of electricity within the district lies with Eskom and the local municipalities, the municipal plans is to prepare the Electrification Plan which will provide a comprehensive approach in providing and managing electricity within the district.

- **Waste Disposal**

The municipality in partnership with the Department of Environmental Affairs are developing two regional waste sites for waste management to be shared by the four local municipalities. To date, the implementing agents for both sites have been appointed and currently working on site.

The municipality is also currently rehabilitating the existing waste sites which is Pomeroy, Nquthu and Glencoe and also to provide fencing, and the project is almost complete.

5.3 OPERATATION AND MAINTANACE

In terms of dealing with the issues regarding operation and maintenance, provision has been made through the budget to cater for Operation and Maintenance of water projects and schemes to ensure sustainability of the schemes thereby providing water to the communities for a longer period.

5.4 EXPANDED PUBLIC WORKS PROGRAMME

Umzinyathi District Municipality is also committed in training and developing communities through the EPWP programme, thereby promoting economic growth and creating sustainable development. 25% of the MIG projects to be undertaken by the municipality are EPWP compliant.

5.5 SECTOR PLANS

5.5.1 Water Services Development Plan

Umzinyathi DM is the Water Services Authority (WSA) for the entire district in terms of Section 1 of the Water Services Act, 1997. The municipality has a Water Services Development Plan in place which serves to assist the municipality to align the projects

set out by the Water Services Authority and that of the IDP in terms of providing water and sanitation services to the entire district. It also helps with understanding the water services requirements and to effectively plan and manage the projects. .

5.5.2 Integrated Waste Management Plan

Umzinyathi District Municipality has the Integrated Waste Management Plan which serves to address the waste management and disposal matters. The municipality is in the process of appointing a service provider to review the plan in partnership with the Department of Environmental Affairs to ensure that it provides a holistic approach in dealing with waste management, and the outcome of the plan will be integrated in the final IDP.

5.5.3 Public Transportation

Umzinyathi District Municipality has finalized the preparation of the Integrated Public Transport Plan as required in terms of the National Land Transport Transition Act (Act 20 of 2000) in November 2009. The plan will assist the district family of municipalities in making informed planning decisions regarding public transport, during 2012/13 financial year, the municipality will be reviewing the plan to ensure that its relevant in terms of programmes and projects, and implementable thereby achieving desired results.

The municipality is also currently undertaking an road asset management system to determine the road conditions, facilities required and also to quantify the funding requirement to improve their conditions. The outcome of the audit will be integrated into the final IDP.

5.6 SECTION 78 ASSESSMENT OUTCOME

Umzinyathi District Municipality together with Amajuba District Municipality and Newcastle Local Municipality have a shared municipal entity known as Uthukela Water (Pty) LTD which is responsible for the provision of water within the region.

In December 2007, the MEC for the Department of Co-operative Governance and Traditional Affairs intervened in the operations of the municipal entity through the application of Section 139 (1) (b) of the Constitution on Water Service Delivery Mechanism. Section 78 assessment was undertaken based on the challenges which were being experienced by the water services provider to provide the service.

The Section 78 has been completed and presented to the all three municipalities that have shares in Uthukela Water indicating various options and recommendations. Umzinyathi District Municipal Council has resolved to withdraw from Uthukela Water with effect from 30 June 2012, and take back the water services provision function as from the 01 July 2012. The municipal Council also resolved that where bulk water sources is outside the boundaries of Umzinyathi District Municipality, a signed bulk water services agreement with supplying Water Services Authority vice-versa be approved. The municipality has also prepared a detailed implementation plan which will guide the municipality for the takeover of the function.

5.7 OPERATION SUKUMA SAKHE / WAR ON POVERTY

The main aim of Operation Sukuma Sakhe / War on Poverty campaign is to reach out to more poverty stricken communities, with the intention of making maximum impact on those communities in the shortest possible way, and also to ensure that communities including the private and the public sector join forces to fight against poverty. The Operation Sukuma Sakhe programme is the new approach of how government and its social partners would fight poverty. Umzinyathi District Municipality belongs to UMzinyathi Operation Sukuma Sakhe, also known as war on poverty, and MEC for Agriculture and Rural Development , Dr BM. Hadebe is the political Champion for the Umzinyathi District Municipality.

Umzinyathi District Municipality belongs to the UMzinyathi Cluster Flagship Programme also known as war on poverty programme. The Municipality is the convenor of the flagship meetings, and also provide the venue for the meetings. The main role of the municipality is to facilitate and co-ordinate the programme. The municipality is also responsible for the consolidation of reports from all sector departments and civil society to be submitted to the provincial task team, and the local municipalities also have their local task teams.

5.7.1 Progress on the implementation of the programme:

As part of the programme, a study was conducted to determine poor communities that live in the most deprived areas and have no access to basic services. Four hundred (400) wards were determined in the entire province of KwaZulu Natal, and out of the four hundred wards, ward one in Ngquthu Municipality was identified as number one in the province in terms of being deprived.

The following wards under Umzinyathi District Municipality have been identified as most deprived wards and need serious and urgent intervention:

WARD NAME	WARD NO.	MUNICIPALITY
Kwamanxili, Zihlalele, Ntabasibahle, Kwa Ngqulu	25402001	Nquthu
Emabomvini area	52404006	Msinga
Emachunwinini, Gujini and Guqa	52401014	Msinga
Ntanyandlovu, Ncepheni, Vulamehlo, Gubazi, Ngwtsheni, Ntshongweni, Kwangedla	52402010	Nquthu
Hlazakazi, Silutshane, Mangeni and Magogo	52402002	Nquthu
Kwamanqamu	52404004	Msinga
Emabomvini and Kwangamu	5204005	Msinga
Sandlwana, Sigubudu, Ntalantala, Magaga, Nhloya, Kwaqwabe, KwamanxangalaSibongile, Sahlaza, White City and K Section	52402004	Nquthu
Patsoni, Mbewunye, Maduladula and Nhloshana	52402005	Nquthu
Mbulwane	52405006	Umvoti
Kwadolo	52404007	Msinga
Ingome	52404009	Msinga

Detail programmes and projects for Operation Sukuma Sakhe, for the above mentioned wards are currently being developed, for implementation during 2012/13 financial year by the municipality and sector departments.

CHAPTER 6: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

6.1 BUDGET OVERVIEW

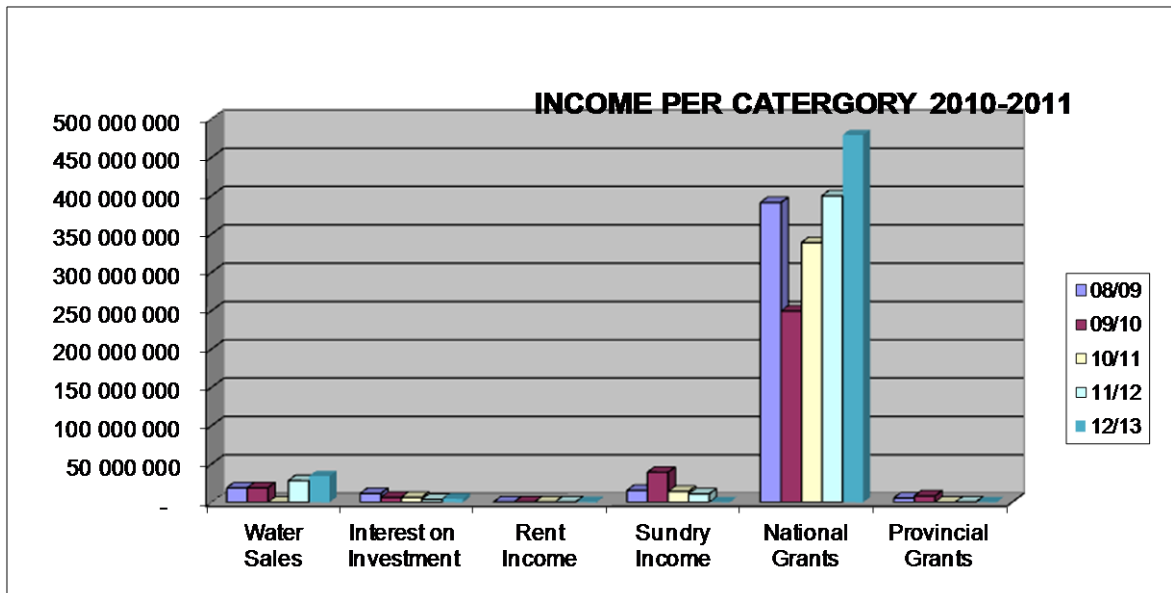
The Budget for 2012/13 has been finalised and incorporated into the 2012/17 IDP. The budget below is a budget for 2012/2013 and it also contains indicative figures for 2013/14 and 2014/15 and revised budget for 2011/12.

- The municipal income for 2011/12 was R 360,140,619.00 and it has increased to R 453,589,130.00 for 2012/13 financial year; and the increase is necessitated by the fact that the municipality will be performing the function of being a water services provider effective from 01 July 2012;
- The expenditure for 2011/12 was R 360,140,619.00 and it will be increasing to R 453,589,130.00 for 2012/13 financial year;
- The budget for operational programmes for 2011/12 was R 128,913,625.00 and it has been decreased to R 93,098,880 for 2012/13 financial year; this was necessitated by the fact that since the municipality will be taking over the water provision function, more budget provision had to be allocated; and
- The budget for capital projects for 2011/12 was R 161,942,000.00 and it has been increased to R 196,447,000.00 for 2012/13 financial year.

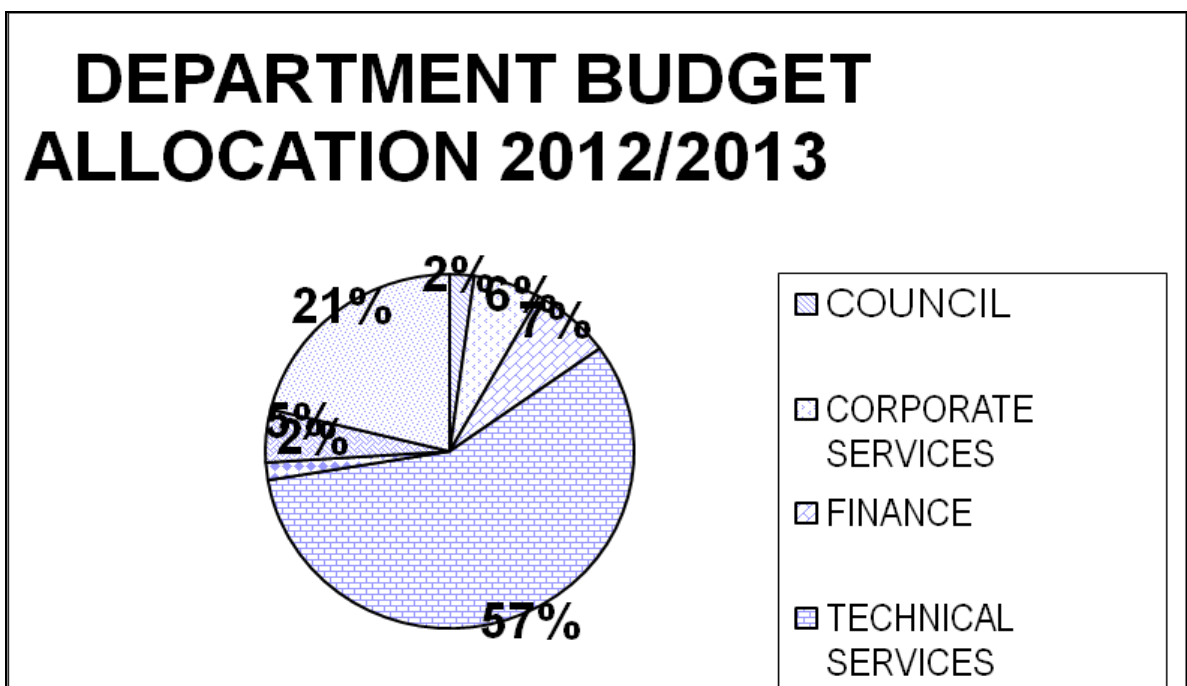
TOTAL OPERATING AND CAPITAL BUDGET 2012/2013, 2013/2014 AND 2014/2015					
INCOME	Approved Budget 10/11	Revised Budget 11/12	Proposed Budget 2012/13	Proposed Budget 2013/14	Proposed Budget 2014/15
Water Sales	-	-	(28 284 013)	(31 112 414)	(34 223 656)
Service charges - Sanitation			(9 812 057)	(9 812 057)	(11 872 589)
Interest on Investment	(6 500 000)	(6 500 000)	(3 800 000)	(4 180 000)	(4 598 000)
Rent Income	(439 230)	(439 230)	(455 789)	(501 368)	(551 505)
Sundry Income	(14 118 389)	(14 118 388)	(10 926 271)	(143 250)	(145 475)
National Grants	(338 864 000)	(338 864 000)	(399 911 000)	(438 381 000)	(479 321 000)
Provincial Grants	(219 000)	(219 000)	(400 000)	(3 795 000)	(210 000)
TOTAL REVENUE	(360 140 619)	(360 140 618)	(453 589 130)	(487 925 089)	(530 922 224)
	Original Budget 10/11	Revised Budget 11/12	Proposed Budget 2012/13	Budget 2013/14	Budget 2014/15
OPERATING & CAPITAL EXPENDITURE					
Salaries, Wages & Allowances	40 964 315	34 899 967	81 060 343	86 785 556	94 591 127
General Expenses	117 705 332	129 854 914	99 527 315	117 691 980	122 856 390
Repairs & Maintenance	4 094 954	6 493 625	14 196 271	15 615 898	17 177 488
Capital Charges	11 000 000	2 000 000	11 000 000	12 100 000	13 310 000
Contribution to Capital Outlay	6 333 480	6 849 573	13 267 202	7 475 655	8 223 221
Contributions to Capital Project Fund	180 042 538	180 042 538	234 538 000	248 256 000	274 764 000
TOTAL EXPENDITURE	360 140 619	360 140 617	453 589 130	487 925 089	530 922 224
NETT DEFICIT/-SURPLUS	(0)	(1)	0	0	0
SALARIES AND WAGES AS A PERCENTAGE	11%	10%	18%	18%	18%

TOTAL OPERATING BUDGET 2012/2013, 2013/2014 AND 2014/2015					
	Original Budget 10/11	Revised Budget 10/11	Budget 2011/12	Budget 2012/13	Budget 2012/13
INCOME					
Water Sales	-	-	(28 284 013)	(31 112 414)	(34 223 656)
Interest on Investment	(6 500 000)	(6 500 000)	(3 800 000)	(4 180 000)	(4 598 000)
Rent Income	(439 230)	(439 230)	(455 789)	(501 368)	(551 505)
Sundry Income	(14 118 389)	(14 118 388)	(10 926 271)	(143 250)	(145 475)
National Grants	(152 706 982)	(152 190 889)	(162 317 855)	(196 256 402)	(208 416 368)
TOTAL REVENUE	(173 764 601)	(173 248 507)	(205 783 928)	(232 193 434)	(247 935 003)
Salaries, Wages & Allowances	40 964 315	34 899 967	81 060 343	86 785 556	94 591 127
General Expenses	117 705 332	129 854 914	99 527 315	117 691 980	122 856 390
Repairs & Maintenance	4 094 954	6 493 625	14 196 271	15 615 898	17 177 488
Cap ex Revenue	11 000 000	2 000 000	11 000 000	12 100 000	13 310 000
Loan Charges	0	0	0	0	0
Contributions	0	0	0	0	0
TOTAL EXPENDITURE	173 764 601	173 248 506	205 783 928	232 193 434	247 935 004
NETT DEFICIT/-SURPLUS	(0)	(1)	0	0	1
SALARIES AND WAGES AS A PERCENTAGE	24%	20%	39%	37%	38%

The following graph provides a summary of income sources for the municipality, the most important element regarding the income is that more than 51% of the income for the municipality is being sourced from the grants.

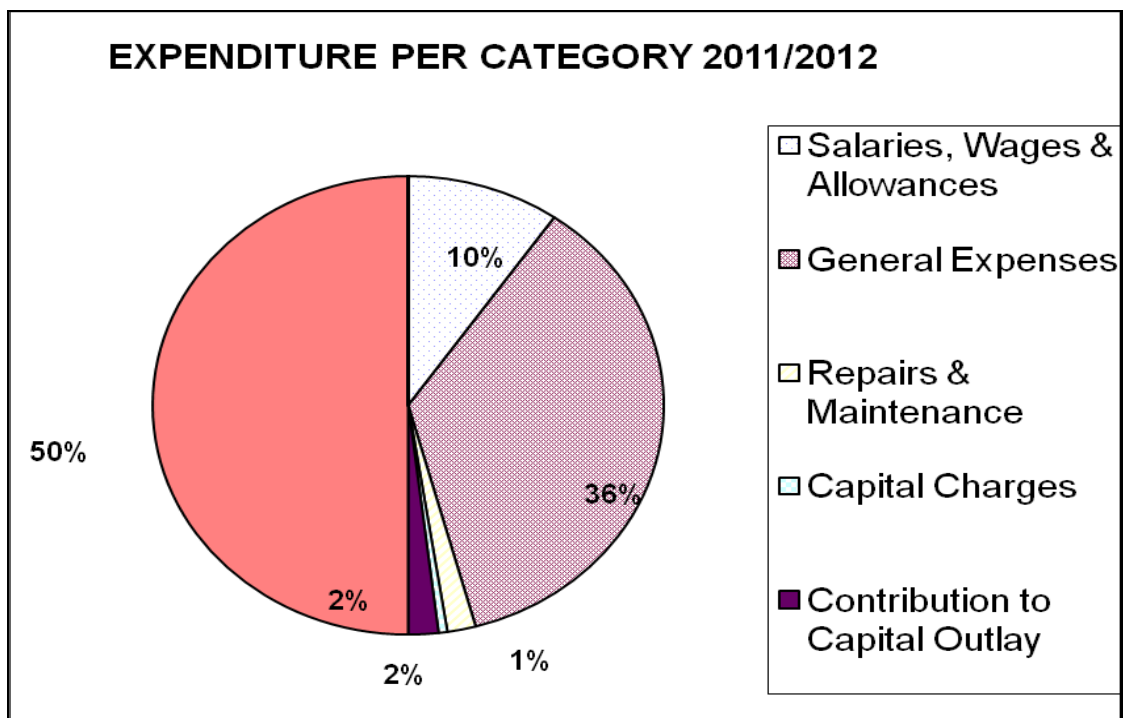


The allocation per department is shown in the graph below:



The largest allocation of the capital budget is provided for Technical Services with R 206,252,462.00 (57.27%) which deals with infrastructural projects followed by water with R 76,293,409.00 (21.18%) followed by Finance with R 25,413,549.00 (7.06%), followed by Development Planning with R 17,381,773.00 (4.83%) which deals with development planning, disaster management and GIS, Corporate Services with R 21,411,314.00 (5.95%), Council with R 7,657,325.00 (2.13%) and the Municipal Managers Office with R 5,730,786.00 (1.59%).

The expenditure per category is shown in the graph below:



The expenditure in terms of the municipal categories during 2012/13 financial year will be as follows:

Salaries, Wages & Allowances	34 899 967
General Expenses	129 854 914
Repairs & Maintenance	6 493 625
Capital Charges	2 000 000
Contribution to Capital Outlay	6 849 573
Contributions Funds and Reserves	180 042 538
Total	360 140 617

6.2 FINANCIAL PLAN

Umzinyathi District Municipality reviewed the Financial Plan during 2011/12 for implementation in 2012/13 financial year, which includes the current status, future plans and the gaps, as well as a strategy on eliminating the gaps. The Financial Plan is regarded as one of the key plans towards the successful implementation of the IDP. It cuts across all IDP issues, strategies and programmes since all of them require funding input. The financial plan has an impact on all other development dimensions within the municipality. Hence, financial plan preparation would always seek to find better ways and means of sourcing funding and managing it efficiently while expediting the implementation of IDP priority issues.

6.2.1 Key Municipal Financial Challenges

- The district economy remains too dependent on government and social services;
- The GDP per capita value of the district economy is the second smallest in KwaZulu-Natal;
- Mining, manufacturing remain declining sectors but have some strength in their resilient remnants;
- There is a weak social base, with the district having the highest levels of unemployment and illiteracy in KwaZulu –Natal;
- Umzinyathi has the second lowest Human Development Index of all the districts in the province;
- There are low levels of local demand as a result of low household income;
- The southern municipal clusters in particular have an outward focus (towards the Midlands in particular). There is substantial economic leakage from these economies;
- There are low levels of reinvestment into productive sectors. The service sector dominates the economy and there is limited investment in tourism and agriculture;
- The District is largely rural, with a low population density. This means that purchasing power is diluted and service costs are higher;
- There has been a lack of progress around meaningful and practical Growth and Development partnerships between government, business and civil society to optimise the district economies strengths and deal with threats and weaknesses;

In this regard, the financial response to the challenges facing the Umzinyathi District require that our limited resources are used strategically and that a focus be given to growing the revenue streams available to address current and future needs. Based on the Municipality's strategic focus areas, the allocation of resources in the Medium Term Expenditure Framework (MTEF) should strongly reflect a "Develop and Maintain" budget.

6.2.2 Financial Strategy Overview

Plugging the holes by:

- Promoting effective expenditure to avoid recurring surpluses on operating budget and conditional
- Grants vigorously pursuing credit control policies increasing efficiencies by working smarter, managing performance and alternative service delivery mechanisms

Increasing revenue by:

- Improving collections;
- Increasing rates base;
- Increasing share of intergovernmental grants to pay for unfunded/partially funded mandates;
- Vigorously pursuing cost cutting measures; and
- Pursuing public private partnerships at both programme and project level.

6.2.3 Capital and Operational Financial Strategies

The council is engaging various financial experts to assist council raise funds for strategic project implementation.

- Funds allocated for a specific purpose are to be used for that purpose only. The CFO and his office will pursue a strong campaign to all council departments aimed at enforcing this principle of complying with the budget allocations; and
- Where capital projects are to be funded by donor organizations, the Municipality must ensure that the funds have been secured prior to their inclusion in the capital budget.

6.2.4 Revenue Raising Strategies

- All Consumers must be registered and billed for services rendered;
- A debts collection service to be instituted to monitor the billing and payment of services;
- An adoption of credit control policy; part of the debt collection process is the levying of interest on outstanding payments;
- Fast racking of formalization of towns; and
- Attracting investors for property development in order to enhance rates income.

6.2.5 Asset Management Strategies

- All assets whether fixed or moveable are to be recorded in a asset register which is electronically maintained;
- The asset register is updated when assets are acquired (purchase or transfer once a capital project has been completed) or disposed off;
- On an annual basis at least there must be a reconciliation between the physical asset holding and that reflected in the asset register; and
- Where capital assets are transferred from the District Municipality, budgetary provision for the operation and maintenance of those assets must be included;

6.2.6 Cost Activities Strategies

- Development of a functional organizational structure that is staffed with appropriate personnel who contribute to the efficacy of the Municipality; and
- The implementation of internal controls that ensure the management of stock holding (control over shrinkage), management of cash flow to reduce usage of overdraft facilities with attendant penal interest rates and ensure efficient investment of surplus monies.

6.2.7 Policy Development and Refinement Strategy

The council is committed in an ongoing development of policies that are compliant with the Municipal Financial Management Act and other regulations in order to ensure smooth functioning of council and realisation of financial viability status. The council refined and revised amongst other things, credit control policy, tariff policy, investment and cash management policy so as to enhance income or revenue streams. However, we are still monitoring the outcome and impact of such policy changes and developments within council.

6.3 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The 2012/13 Service Delivery and Budget Implementation Plan will be prepared once the IDP and Budget have been approved and adopted by Council, and will be prepared within 14 days after budget is adopted by Council.

The Service Delivery and Budget Implementation Plan will be prepared as required by the Municipal Finance Management Act (MFMA) using the National Treasury circular identifying key components as follows:

- Monthly projections of revenue to be collected for each source;
- Monthly projections of expenditure (Operating and Capital) and revenue for each vote;
- Quarterly projections of service delivery targets and performance indicators for each vote;
- Ward information for expenditure and service delivery; and
- Detailed capital works plan broken down by ward over three years.

6.4 REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2011 REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Umzinyathi District Municipality, which comprise the statement of financial position as at 30 June 2011, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory information as set out on pages xx to xx.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Local Government: Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2010 (Act No.1 of 2010) (DoRA), and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and section 126(3) of the MFMA, my responsibility is to express an opinion on the financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice No. 1111 of 2010*, issued in *Government Gazette No. 33872 of 15 December 2010*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the municipality's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

7. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Umzinyathi District Municipality as at 30 June 2011, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the MFMA and DoRA.

Emphasis of matter

8. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Significant uncertainty

9. As disclosed in note 28 to the financial statements, the Umzinyathi District Municipality received notice from the Endumeni Municipality, served in terms of section 41(2) of the Intergovernmental Relations Framework Act of South Africa, 2005 (Act No. 13 of 2005). This relates to the failure of the district municipality to settle the remaining amount of R4,227 million regarding the transfer of water services' assets and liabilities. This matter is currently under arbitration.

Additional matter

10. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Unaudited supplementary schedules

11. The supplementary information set out on pages xx to xx do not form part of the financial statements and is presented as additional information. I have not audited these schedules, and, accordingly I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

12. In accordance with the PAA and in terms of *General Notice No. 1111 of 2010*, issued in *Government Gazette No. 33872 of 15 December 2010*, I include below my findings on the annual performance report as set out on pages xx to xx and material non-compliance with laws and regulations applicable to the municipality.

Predetermined objectives

13. There are no material findings on the annual performance report.

Compliance with laws and regulations

14. There are no findings concerning material non-compliance with laws and regulations applicable to the municipality.

INTERNAL CONTROL

15. In accordance with the PAA and in terms of *General Notice No. 1111 of 2010*, issued in *Government Gazette No. 33872 of 15 December 2010*, I considered internal control relevant to my audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. There are no significant

deficiencies in internal control that resulted in a qualification of the auditor's opinion on the financial statement and findings on predetermined objectives and/or material non-compliance with laws and regulations.

Pietermaritzburg

30 November 2011

Auditor-General



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

6.5 AUDIT OUTCOME

During 2010/11 financial year, the municipality was amongst the few municipalities in the province and country to obtain a **Clean Audit Report**, which is being considered as a significant highlight of the municipality.

SECTION D: DEVELOPMENT STRATEGIES

1. VISION, MISSION, MOTTO, CORE VALUES, KEY DEVELOPMENTAL PRIORITIES AND SWOT ANALYSIS

As municipalities are developing the 3rd generation of the new IDP's for a period of five years which will be reviewed on annual basis until 2017, and the 3rd generation of the IDP's are required to have a new vision, mission and core values to guide the development of the IDP. On the 27 – 28 November 2011, Council and Management had a Strategic Planning workshop with the intention of developing a new vision, mission, core values and also to determine key developmental priorities and SWOT analysis for the municipality which will guide the developmental process of the IDP for 2012/17.

The new vision, mission, core values, developmental priorities and SWOT analysis for municipality is as follows:

1.1 VISION

“A dynamic, corruption-free and viable district that promotes integrated and sustainable development”

1.2 MISSION STATEMENT

“We are a united family of municipalities that champions service delivery through co-operative governance and public participation”

The vision and mission statements need to be realised through development objectives, which in turn are made more specific through objectives, strategies, projects with their associated budget and KPI allocations. This process needs to be informed by localised strategic policy guidelines and the core values of the organisation.

1.3 MOTTO

“Thuthuka Mzinyathi”

1.4 CORE VALUES

- *Commitment;*
- *Excellence;*
- *Customer Focus;*
- *Innovation;*
- *Trust;*
- *Transparency; and*
- *Integrity.*

1.5 KEY DEVELOPMENTAL PRIORITIES

Key developmental priorities have also been developed and prioritised which will be used as an instrument in order to realise the developmental mandate of Council and they are as follows in a priority manner:

- Water (1)
- Sanitation (2)
- Electricity (3)
- Local Economic Development (4)
 - Education and Skills Development (4.1)
- Access Roads (5)
- Environmental Management (6)

- Refuse Removal (6.1)
- Regional Waste Sites (6.2)
- Leadership and good governance (7)
 - Anti corruption (7.1)
 - Sound financial management (7.2)
- HIV / Aids (8)
- Special Programmes (9)
- Human Settlement (10)

1.6 SWOT ANALYSIS

The municipality also developed a SWOT analysis as part of the Strategic Planning Workshop and highlighted broad organisational challenges that seem to hinder the expeditious of service delivery to the communities and also discussed factors that are also deemed as contributing adversely to the service delivery. The session indicated the amount of work that is lying ahead and called for vigorous approach in municipal interventions. The SWOT analysis is as follows:

STRENGTHS	WEAKNESSES
Physical Infrastructure <ul style="list-style-type: none"> • Municipal buildings (habitable, functional) • Municipal infrastructure <ul style="list-style-type: none"> ○ Roads (compliance with national road's legislation, functional roads) ○ Sanitation (compliance, functionality) ○ Water (compliance with relevant standards, functional) 	Physical infrastructure <ul style="list-style-type: none"> • Municipal buildings (maintenance, shortage of office space) • Plant & equipment (old, under maintained, non-availability) • Shortage of funds for infrastructure development • Municipal infrastructure <ul style="list-style-type: none"> ○ Lack of bulk infrastructure for new/proposed developments ○ Roads (lack of roads in rural areas, road maintenance)

	<ul style="list-style-type: none"> ○ Electricity (under resourced, lack of electricity in rural areas) ○ Sanitation (waste water treatment works capacity, lack of sanitation infrastructure in rural) ○ Water (under maintained infrastructure, bulk infrastructure in rural areas)
Social services <ul style="list-style-type: none"> • Public safety services • Community development • Social amenities management • Sport and recreation development facilitation Economic services <ul style="list-style-type: none"> • Urban and rural development planning, human settlement planning • Local economic development 	Economic services <ul style="list-style-type: none"> • Local economic development (lack of township tourism, tourism marketing, tourism promotion, SMME development) • Non alignment of IDP and PGDS • Over spending and under spending • Investment in unsustainable projects • Lack of investment incentives
Corporate governance practices <ul style="list-style-type: none"> • Legal compliance • Oversight • Good resolution • Good political stability • Functional committees • Good policies • Community participation • Good audit reports 	Environmental management system <ul style="list-style-type: none"> • Environmental compliance facilitation not yet adhered to.
Environmental management system <ul style="list-style-type: none"> • Open space management • Municipal health 	Resource management <ul style="list-style-type: none"> • Less qualified and under capacitated staff members • Shortage of specialised staff • Lack of communication • Information / knowledge management (data management) • Poor attendance of meetings (lack of commitment) • Lack of learning culture. • Appointment of unskilled staff
Governance for local communities <ul style="list-style-type: none"> • Local government accountability • Community Participation improving 	Business leadership / management <ul style="list-style-type: none"> • Organisation culture (work ethic) • Strategic positioning (not full owned by all executive management) • Stakeholder relations management / communication
Resource management	

<ul style="list-style-type: none"> • Financial management • Asset management • Project management (technical) 	<ul style="list-style-type: none"> • Business performance management (systems, policies) • Information / knowledge management • Erratic reporting • Lack of communication between traditional leaders and local government • Poor Programme / project management
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Land availability agriculture, water (uThukela River) • Government (PGDS) policy shift allowing UDM to benefit financially • Tourism; • Abundant labour • Inter-governmental relations framework / stakeholder alliances • ICT developments • Economic diversification • Mining Development opportunities • Tourism opportunities • Job creation opportunities • Foreign Direct Investment • Agriculture and beneficiation • Supportive legislative requirements 	<ul style="list-style-type: none"> • Terrain: resulting in escalated costs of infrastructure • Climate change • Corruption / Nepotism • Land admin (Ingonyama trust) • Infrastructure planning and rollout • Huge infrastructure backlog • HIV/AIDS diseases and others • Under- utilisation of land through land reform • Inadequate resources to deal with increasing demands (financial constraints) • Poverty / unemployment impacting negatively on available resources • Long lead times on EIA's

1.7 DEVELOPMENTAL STRATEGIES

Umzinyathi District Municipality has developed the strategies in line with the developmental priorities in order for the intended results to be achieved which to enhance the service delivery thereby improving the communities lives. The following strategies have been developed to be implemented during 2012/13 financial year:

PGDS Strategic Goals	Key Performance Areas	Municipal Developmental Priorities	Municipal Objectives	Municipal Strategies
Strategic Infrastructure (4)	Basic Service Delivery and Infrastructure Investment	Water (1)	To provide sustainable infrastructure to district wide community and also the effective maintenance of the existing one <ul style="list-style-type: none"> Physical infrastructure services Minimise the persiting level of backlog thereby meeting the RD standards Operation and maintenance of existing infrastructure Social services 	Reduction of the water backlog which will be 32% (30299 households) by 8% (2338 households) thereby improving access to communities within the RDP standards,
		Sanitation (2)		Reduction of the sanitation backlog which will be 15% (13912 households) by 27% (3800 households) thereby improving access to communities within the RDP standards,
		Electricity (3)		Development of the electrification master plan which will provide a comprehensive approach of electricity provision
		Access Roads (5)		Completion of the Road Asset Management System, and budget provision as per the priorities in terms road improvement including its facilities

		Human Settlement (10)		Effective alignment of human settlement infrastructure programmes through the district infrastructure forum
PGDS Strategic Goals	Key Performance Areas	Municipal Developmental Priorities	Municipal Objectives	Municipal Strategies
Job creation (1)	Local Economic Development	Local economic development (tourism promotion, SMME development, agricultural development) (4)	To promote and stimulate economic development through targeted and structured Special economic zone approach <ul style="list-style-type: none"> ○ Economic services (create a vibrant economy) ○ Development of rural industries based on individual area's competitive advantages 	<ul style="list-style-type: none"> ○ Establishment of the Special Purpose Vehicle ○ Effective implementation of the following programmes: <ul style="list-style-type: none"> ○ Agricultural development and diversification ○ Tourism Development ○ Infrastructure Development ○ Mining Development ○ SMME development
		Skills Development (4.1)		Establishment of small business support centres in partnership with SEDA and other institutions
Human Resource Development (2) Human and Community Development (3)	Municipal Development and Institutional Transformation	HIV/AIDS (8)	To ensure institutional transformation and ensure sound and efficient administrative practices within the Municipality <ul style="list-style-type: none"> ○ Corporate governance practices (legal compliance, oversight) ○ Business leadership / management (planning, structuring, culture, performance management, stakeholder relations) 	<ul style="list-style-type: none"> ○ Review and implementation of the HIV/Aids Strategy; ○ Review and implementation policies ○ Review and implementation of by – laws ○ Strengthening the municipal capacity through filling of vacant posts within three months after the posts has become vacant ○ Effective functioning of the IGR structures ○ Effective implementation of

			management, communication) <ul style="list-style-type: none"> Resource management (people management, financial management, ICT management, information / knowledge management, asset management) 	performance management system <ul style="list-style-type: none"> Effective optimisation of ICT to improve municipal operations Promote knowledge management Undertaking of Customer Satisfaction Survey to determine community perceptions Effective implementation of Municipal Turnaround Strategy Effective alignment of municipal powers and functions to the municipal structure Effective implementation of procedures i.e Employment Equity Plan, Retentions strategy etc
		Special Programmes (9)		Effective implementation of sound programmes for: <ul style="list-style-type: none"> People living with disability Women and gender Children and youth

PGDS Strategic Goals	Key Performance Areas	Municipal Developmental Priorities	Municipal Objectives	Municipal Strategies
Governance and Policy (6)	Good Governance and Public Participation	Leadership and good governance (7)	To provide sustainable good governance for local communities <ul style="list-style-type: none"> Broaden local democracy through deepening public participation Promoting governance and accountability 	<ul style="list-style-type: none"> Review and implementation of the communication policy Holding of the Mayoral Imbizo to report on progress for the year under review Promoting operation clean audit
		Anti corruption (7.1)		Review and implementation of the anti corruption strategy
Governance and Policy (6)	Municipal Financial Viability	Anti-corruption (7.1)	To promote sound financial management system and anti-corruption <ul style="list-style-type: none"> Strengthening government capacity Eradicate fraud and corruption Promote effective and accountable governance 	<ul style="list-style-type: none"> Review and implementation of the anti corruption strategy
		Sound Financial Management (7.2)		<ul style="list-style-type: none"> Maintenance of clean audit report through implementation of sound financial systems Continuous update of asset management base Sound financial management
Spatial Equity (7) Response to Climate Change (5)	Spatial and Environmental Analysis	Environmental Management (6)	To promote actively spatial concentration and sustainable environmental management system <ul style="list-style-type: none"> Municipal waste management, public health) Environmental compliance facilitation Integrated land management and spatial planning 	<ul style="list-style-type: none"> Review and implementation of environmental health by-laws
		Refuse removal (6.1)		<ul style="list-style-type: none"> Development of two regional waste sites Rehabilitation of existing waste sites to prolong their lifespan and to maintain their conditions Development and implementation of Spatial Development Frameworks Review and implementation of the Strategic Environmental Assessment
		Regional waste sites (6.2)		

				<ul style="list-style-type: none"> ○ Development and implementation of wall to wall schemes ○ Effective implementation of the Planning and Development Act ○ Review and implementation of Disaster Management
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2. ALIGNMENT WITH PROVINCIAL AND NATIONAL POLICIES

2.1.1 Accelerated and Shared Growth Initiative – (ASGISA)

ASGISA's goals are to accelerate economic growth greater than 4.5% between 2006 and 2009, and then greater than 6% from 2010 to 2014 and to halve poverty and unemployment by 2014.

The four intervention areas are:

- Increasing the capacity of public infrastructure.
- Supporting investment-led growth in economic sectors with labour-intensive capacity, greater revenue generation potential and international competitiveness.
- Building comprehensive social development programmes that have the potential to enhance self-reliance in society.
- Revamping the delivery capacity and responsiveness of the public service sector.

Six spending areas have been identified which are:

- Infrastructure investment of R370 Billion over a three year period principally to develop the transport and power infrastructure.
- Sector strategies to diversify the economy through downstream activities and Broad-Based Black Economic Empowerment (BBBEE) through Business process outsourcing, Tourism, and the Bio-fuel sector. Other sectors identified include Chemicals, Metals beneficiation, Creative industries, clothing and textiles, Durable consumer goods, Wood, pulp and paper.
- Skills and education in hard technical skills, maths, FET upgrades.
- Second economy interventions to bridge the gap between the first and second economy through using the first economy to bridge the gap, targeting women and the youth, using public expenditure through targeted procurement and micro-finance (DTI initiatives such as SEDA etc).
- Public administration to improve service delivery by state institutions which includes the capacity of local government to support local economic development.
- Macro economic management issues beyond the scope of local stakeholders.

Under the ASGISA umbrella, the following micro- business support instruments are to be made available:

- A new partnership between Khula and Business Partners in a R150-million fund for business loans of between R10 000 and R250 000.
- Funds for women entrepreneurs, collaboration between the DTI, Eskom, Umsobomvu and the Women's Development Bank.
- The Financial Services Charter will release R5 billion for small business loans.
- The Apex (SAMAF) and Mafisa programmes will supply loans of under R10 000.

SMME support initiatives include the following:

- R1-billion programme from the Industrial Development Corporation (IDC) and the National Empowerment Fund's Venture Fund.
- Support from the Small Enterprise Development Agency based at the DTI which will provide operational support (particularly in manufacturing).
- A review of the regulatory environment for small businesses by Cabinet.

2.1.2 National Spatial Development Perspective (NSDP)

The National Spatial Development Perspective (NSDP) guides government in implementing its programmes in order to achieve the objectives of ASGISA of halving poverty and unemployment by 2014. The NSDP is built on four basic principles. These are:

- | | |
|--------------|--|
| Principle 1: | Rapid economic growth that is sustained and inclusive is a pre-requisite for the achievement of poverty alleviation. |
| Principle 2: | Government spending on fixed investment should be focused on localities of economic growth and / or economic potential in order to gear up private sector investment, stimulate sustainable economic activities and create long-term employment opportunities. |
| Principle 3: | Where low economic potential exists investments should be directed at projects and programmes to address poverty and the provision of basic services in order to address past and current social inequalities. |
| Principle 4: | In order to overcome the spatial distortions of Apartheid, future settlement and economic development opportunities should be |

channelled into activity corridors and nodes that are adjacent to or link the main growth centres in order for them to become regional gateways to the global economy.

2.1.3 KZN Provincial Growth and Development Strategy and economic strategies

The KZN government's growth and development strategy is aimed at transforming the structure of the economy and narrowing and eventually eliminating the gap between the first and second economies.

The four pillars on which this strategy rests are as follows:

- Increasing investment in the province;
- Skills and capacity building;
- Broadening participation in the economy; and
- Increasing competitiveness.

Programmes to boost growth include: promotion and attraction of Foreign Direct Investment, Investment in infrastructure, Dube Trade Port, Provincial Growth Fund, 2010 Soccer World Cup – investment in supporting infrastructure, sector development and corridor development.

To promote SMMEs and Black Economic Empowerment, the provincial government has created a series of funds, secured training through FET's and facilitated access to financing through Ithala Bank.

2.1.4 Provincial Spatial Economic Development Strategy (PSEDS)

The KZN Provincial Spatial Economic Development Strategy (PSEDS) gives a spatial framework to the Provincial Growth and Development Perspective. To give effect to the fourth principle of the NSDP that settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres, the PSEDS has identified priority nodes and corridors.

In terms of nodal development, only primary and secondary nodes have been prioritised over the next 5 years. Umzinyathi District Municipality contains one tertiary

node (Dundee) and three Quaternary Nodes (Greytown, Nquthu and Tugela Ferry).

The Provincial Spatial Economic Development Strategy has identified a series of prioritised Primary and secondary corridors. The corridors are defined as follows:

- **Primary Corridor (PC):** A corridor with very high economic growth potential within all three sectors which serves areas of high poverty densities.
- **Secondary Corridor (SC):** A corridor serving areas of high poverty levels with good economic development potential within one or two sectors.

Umzinyathi is not part of any primary corridors. In terms of secondary corridors, the priority corridors are indicated table below.

No.	Corridor	Classification
PC1	eThekwini - Umhlatuze	Primary Corridor
PC2	eThekwini – Msunduzi - uMngeni	Primary Corridor
PC3	eThekwini – Ugu	Primary Corridor
SC1	Umhlatuze – Ulundi - Vryheid	Secondary Corridor
SC2	Kokstad – Umzimkulu – Msunduzi	Secondary Corridor
SC3	Msunduzi – Nkandla - Ulundi	Secondary Corridor
SC4	Ulundi – Nongoma – Pongola	Secondary Corridor
SC6	Port Shepstone – St Faiths - Ixopo	Secondary Corridor
SC7	Maphumulo – Ndwedwe - Dube	Secondary Corridor
SC8	Ukhahlamba corridor	Secondary Corridor
SC9	Weenen – Nkandla – Eshowe	Secondary Corridor
SC10	Manguzi – Swaziland	Secondary Corridor
SC11	Makhatini flats corridor	Secondary Corridor
SC12	Greytown – Msinga – Madadeni	Secondary Corridor
SC13	Nkandla – Nqutu – Vryheid	Secondary Corridor
SC14	Mtubatuba – Nongoma	Secondary Corridor

Table No 11: Priority Corridors.

2.1.5 Millennium Development Goals

“The concept of a developmental state – which applies both to the country and the province – is rooted in the Millennium Development Goals (MDGs) adopted by the United Nations. Indeed both the national and provincial government’s development strategies and interventions should be viewed in the context of, and measured against, these international development goals which apply to all countries across the globe.

The MDGs which need to be achieved by 2015 are:

1. Eradication of extreme poverty and hunger
 - Halve the proportion of people with less than R6.00 per day
 - Reduce by half the proportion of people who suffer from hunger
2. Achievement of universal primary education
 - Ensure that all boys and girls complete a full course of primary schooling
3. Promotion of gender equality and empowerment of women
 - Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015
4. Reduction in child mortality
 - Reduce by two thirds the mortality rate among children under five
5. Improvement of maternal health
 - Reduce by three quarters the maternal mortality ratio
6. Combating HIV/AIDS, malaria and other diseases
 - Halt and begin to reverse the spread of HIV/AIDS
 - Halt and begin to reverse the incidence of malaria and other major diseases
7. Ensuring environmental sustainability
 - Integrate the principles of sustainable development into country policies and programmes; reverse loss of environmental resources
 - Reduce by half the proportion of people without sustainable access to safe drinking water
 - Achieve significant improvement in lives of at least 100 million slum dwellers, by 2020
8. Developing a global partnership for development
 - Develop further an open trading and financial system that is rule-based, predictable and non-discriminatory, includes a commitment to good governance, development and poverty reduction— Nationally and Internationally
 - In cooperation with the developing countries, develop decent and productive work for youth
 - In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries

In cooperation with the private sector, make available the benefits of new technologies especially information and communication technologies”

2.1.6 Provincial Growth and Development Strategy

The province of KwaZulu - Natal has managed to develop the Provincial Growth and Development Strategy which was adopted by Cabinet on the 31 August 2011, and has a vision to be achieved by 2030. The PGDS is crucial to:

- Focus on a clear vision for the province;
- promote vertical, horizontal and spatial alignment;
- mobilise all development partners to achieve predetermined development objectives and targets; and
- build on the strengths and opportunities of the Province, while addressing weaknesses and threats.

Alignment of the Provincial Growth and Development Strategy to the municipal strategies is as follows:

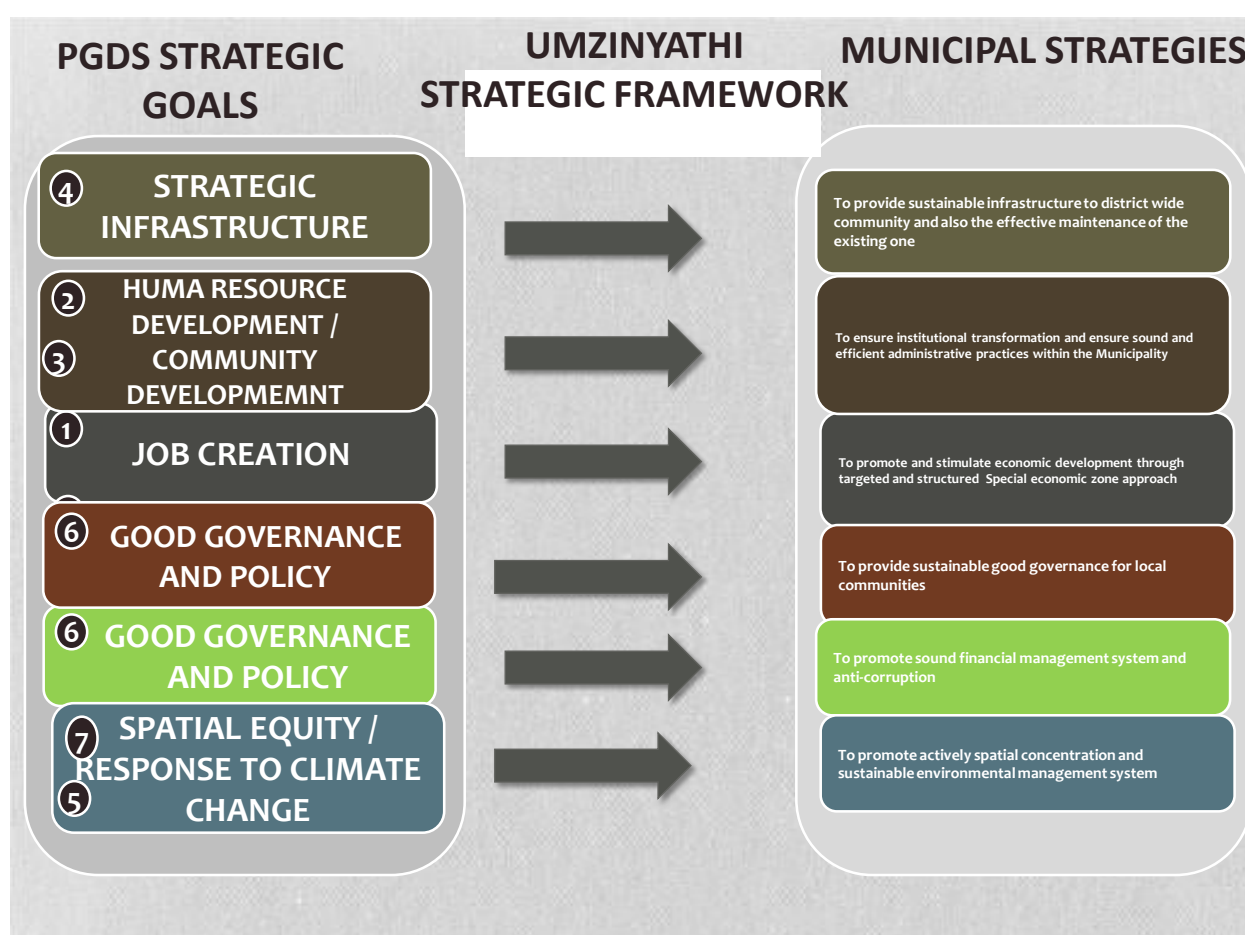


Table No 12: Alignment of the Provincial Growth and Development Strategy to the municipal strategies

Alignment to the Strategic Objectives of the Provincial Growth and Development Strategy to the municipal strategic objectives:

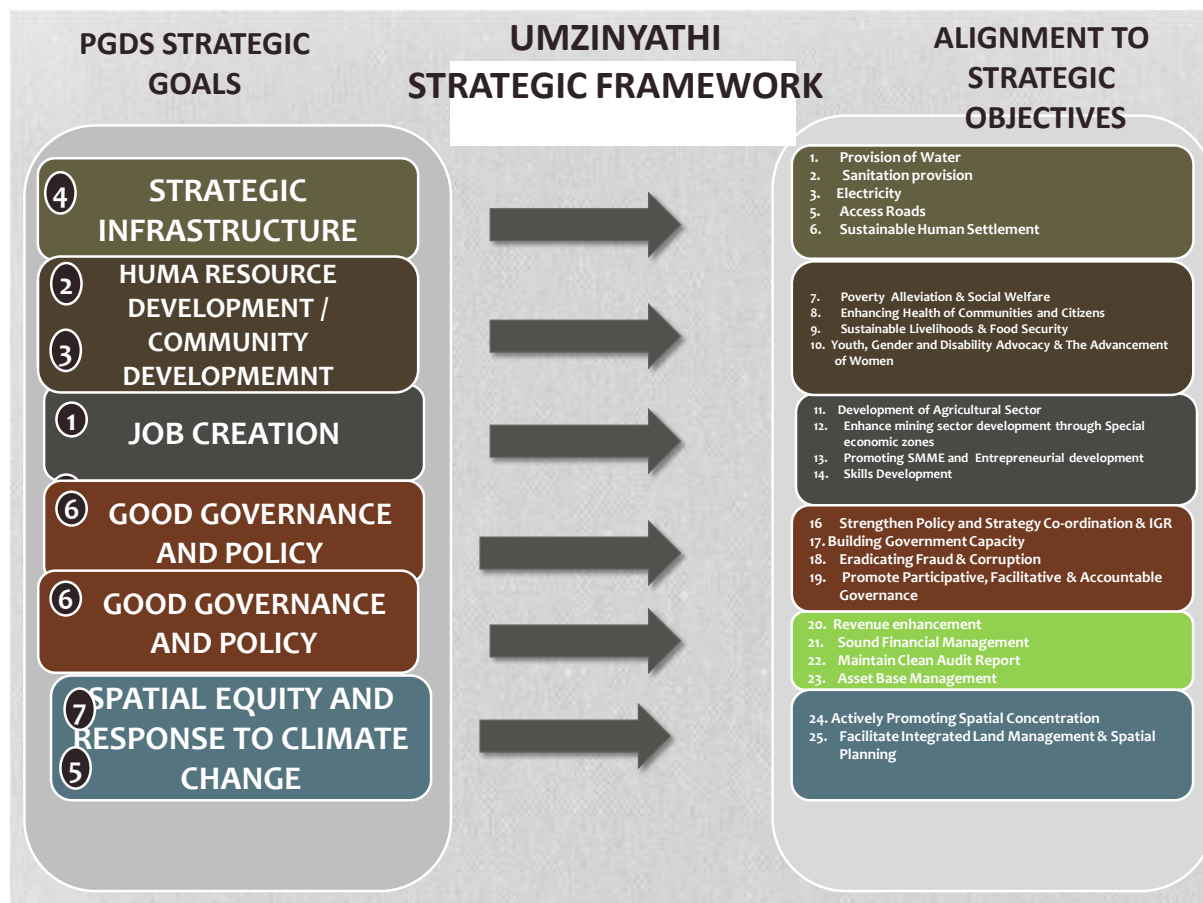


Table No 13: Alignment to the Strategic Objectives of the Provincial Growth and Development Strategy to the municipal strategic objectives

3. ALIGNMENT WITH NATIONAL, PROVINCIAL AND MUNICIPAL PRIORITIES

National Priorities	Provincial Priorities	Municipal Priorities	Developmental Priorities
More inclusive economic growth, decent work and sustainable livelihoods;	Creating decent work and economic growth	Local Development	Economic
Rural development, food security and land reform;	Rural development/agrarian reform and food security	Local Development	Economic
Access to quality education	Education	Leadership and good governance	
Improved health care	Health	HIV/Aids	
The fight against crime and corruption;	Fighting crime	Leadership and good governance	
A developmental state including improvement of public services.	Nation-building and good governance		
Economic and Social infrastructure;		Local Development	Economic
Cohesive and sustainable communities		Water Sanitation Electricity Human settlement	
Creation of a better Africa and a better world			
Sustainable resource management and use			

Table No 14: Alignment with National, provincial and Municipal Priorities

4. ALIGNMENT OF THE MUNICIPAL TURNAROUND STRATEGY WITH THE OUTCOME 9

On the 23 August 2011, the new elected Council reviewed the Municipal Turnaround Strategy as Municipal Managers were requested to brief the newly elected Council about the Turnaround Strategy. New Council opted to keep the same priorities in order for the intended concrete results to be realised, which is service delivery:

During September 2010, the National Government agreed to 12 outcomes as a key focus of work between now and 2014. Each of the 12 outcomes requires involvement of all spheres of government and other stakeholders outside government. The applicable outcome for local government is outcome 9 which has seven outputs, and local government has to deliver on these seven outputs by 2014, and they are as follows:

- Output one: Implementation of a differentiated approach to municipal financing, planning and support;
- Output two: Improving access to basic services;
- Output three: Implementation of the Community Programme;
- Output four: Actions supporting of the human settlement outcomes
- Output five: Deepen democracy through refined Ward Committee model;
- Output six: Administrative and financial capability; and
- Output seven: Single window of Coordination.

The municipality turnaround strategy and outcome 9 are both aimed at improving the living quality of life for the communities. Therefore, the municipality has aligned the two documents, and the alignment is based on the municipal powers and functions as follows:

MTAS Ten Priorities	Outcome 9 Outputs
Water	Improving access to basic services
Sanitation	
Access Roads	
Refuse Removal	

Revenue enhancement strategy	Administrative and financial capability
Implementation of the LED Strategy	Implementation of a differentiated approach to municipal financing, planning and support
Capital expenditure / Cashflow management	Administrative and financial capability
HIV/Aids and poverty alleviation programmes	Implementation of a differentiated approach to municipal financing, planning and support
Youth, women and people living with disability programmes	
Energy / Electricity (preparation of the Electrification Development Plan)	

Table No 15: Alignment of Municipal Turnaround Strategy to Outcome 9

SECTION E: PROGRAMMES AND PROJECTS

1. CAPITAL INVESTMENT PLAN – 2012/2015

1.1 Infrastructure Projects

In terms of the infrastructure projects (water and sanitation), the municipality will be spending an amount to the value of R 629,057,000.00 for the next three years to reduce the water and sanitation backlogs.

The value of 2012/13 water projects is R 140,222,297.00 and R 56,224,703 for sanitation projects. The municipality is intending to reduce the water backlog which will be 32% (30299 households) by 8% (2338 households) and sanitation backlog which will be 15% (13912 households) by 27% (3800 households) for reduction during 2012/13 financial year, through the implementation of MIG projects. A detail breakdown of infrastructure projects and municipal programmes is as follows:

CAPITAL BUDGET 2012/2013, 2013/2014 AND 2014/2015						
	Municipal	REVISED BUDGET	REVISED BUDGET	PROPOSED BUDGET	PROPOSED BUDGET	PROPOSED BUDGET
MUNICIPAL FUNDED CAPITAL PROGRAMMES	Area	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Office equipment and Furniture	Umzinyathi D.M.	450 000	1 500 000	250 000	875 655	963 221
Office equipment and Furniture - IDP				40 000	0	
Office equipment and Furniture - MOM				120 000	0	
Office equipment and Furniture - deputy MM				60 000		
Office equipment and Furniture- Technical				166 050		
Office equipment and Furniture- LED				160 000		
Vehicle - Office of the Mayor			300 000	800 000		
Vehicle - Finance Sedan				230 000		
Vehicle - Water services				2 000 000		
Financial System (New)	Umzinyathi D.M.	2 000 000	0	5 431 152		
Civil Engeneer Bill Software & MS projects				10 000		
Vehicles					2 200 000	2 420 000
Administration Assets		3 060 000	3 139 642	9 267 202	3 075 655	3 383 221
Water & Sanitation Infrastructure Programme	Umzinyathi D.M.	7 000 000	1 200 000	7 000 000		0
Qhudenani Maxhili Sanitation	Nquthu Municipality	4 900 000	8 000 000	-	-	-
Othame Sanitation	Msinga Municipality	5 000 000	0			
LED Projects	Umzinyathi			5 000 000		
Water and Sanitation Projects	Umzinyathi					
Water and Sanitation Projects		16 900 000	9 200 000	12 000 000	0	0

Pomeroy Complex Phase 1	Msinga Municipality	2 456 000	-			
Renovation of Princess Magogo Building	Umzinyathi D.M.	3 376 800	3 051 220	4 000 000	4 400 000	4 840 000
Suzafe Access Road			0			
Halodi Community Hall			800 000			
Community Centre			600 000			
Nquthu Sports Stadium			410 538	0		
Development of 2 Landfill sites	Two Regional Sites	1 000 000	0			
Silonjane Nquthu Sportsfield		200 000	0	0		
Community Services Infrastructure		7 032 800	4 861 758	4 000 000	4 400 000	4 840 000
		26 992 800	17 201 400	25 267 202	7 475 655	8 223 221
				13 267 202	7 475 655	8 223 221
MUNICIPAL INFRASTRUCTURE GRANT PROGRAMMES						
Project Title		2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
DWAF						
Rudimentary - Umzinyathi	Umzinyathi D.M.	10 123 429	6 000 000	4 000 000	19 884 174	-
PMU	Umzinyathi D.M.	-				
Sub Total		10 123 429	6 000 000	4 000 000	19 884 174	-
Dundee Bulk	Endumeni Municipality			10 000 000		
Glenco/Sithembile Bulk Water Services Upgrade	Endumeni Municipality	9 000 000	12 000 000	7 000 000	-	-
Sub Total		9 000 000	12 000 000	17 000 000	-	-
Pomeroy Sub-Regional Sanitation	Msinga Municipality	-	2 625 000	-	2 625 000	2 625 000
Pomery-Nkalane Sanitation	Msinga Municipality	11 700 000	12 000 000		12 000 000	12 000 000
Kwakopi-Mhangana Sanitation	Msinga Municipality	6 000 000	7 500 000		12 000 000	12 000 000
Mthembu West - Tugela Ferry Water	Msinga Municipality	-	12 000 000	12 000 000	-	-
Ngubukazi Water Scheme	Msinga Municipality	4 860 659	6 500 000	6 500 000	-	-

Keates Drift Water Scheme	Msinga Municipality	-	12 500 000	19 082 297	16 200 000	16 200 000
Mbono Water	Msinga Municipality	22 685 717	13 038 024	16 000 000	13 038 024	13 038 024
Ndaya Water	Msinga Municipality	-	14 500 000	12 000 000	24 000 000	24 000 000
Othame/Msinga Top Water	Msinga Municipality	-	-		3 360 000	3 360 000
Douglas Water	Msinga Municipality	400 000	-		2 625 000	2 625 000
Mazabeko Water	Msinga Municipality	-	-		3 675 000	3 675 000
Msinga bulk	Msinga Municipality			15 000 000		
Sub Total		45 646 376	80 663 024	80 582 297	89 523 024	91 623 024
MUNICIPAL INFRASTRUCTURE GRANT PROGRAMMES						
Project Title		2009/2010		2010/2011	2010/2011	2010/2011
Nondweni Town Sewage Disposal	Nquthu Municipality	200 000	-	-	11 000 000	11 000 000
Qhuden- Manxili Sanitation	Nquthu Municipality	-	2 000 000		-	-
Hlazakazi Water Scheme Phase 1 - Isandlwana	Nquthu Municipality	3 663 434	10 000 000	9 540 000	19 825 689	19 825 689
Ntinini Regional Water	Nquthu Municipality	5 000 000	-	20 000 000	3 455 025	3 455 025
Nquthu Sanitation area plan				3 000 000		
Sub Total		9 746 329	12 000 000	32 540 000	34 280 714	34 280 714
Mbulwane/ Hlimbithwa Sanitation	uMvoti Municipality	1 050 000	5 124 703	5 124 703	1 050 000	1 050 000
Muden / Ophathe Sanitation	uMvoti Municipality	7 000 000	8 000 000	4 000 000	10 000 000	10 000 000
Muden Regional Water	uMvoti Municipality	12 000 000	11 054 273	15 000 000	10 799 088	10 799 088
Makhabeleni Water Phase 4,5 and Bulk Upgrade	uMvoti Municipality	13 031 000	8 000 000	6 000 000	16 000 000	16 000 000
Ophathe - Water	uMvoti Municipality	14 824 481	8 000 000	11 000 000	22 000 000	22 000 000
Mbulwane/ Hlimbithwa Water	uMvoti Municipality	2 100 000	2 100 000	2 100 000	2 100 000	2 100 000
Umvoti Sanitation area plan	uMvoti Municipality			3 000 000		
Othame Sanitation	Msinga Municipality			2 000 000	1 591 000	37 529 174
KwaKopi - Mhlangana sanitation	Msinga Municipality			3 500 000		
Pomeroy - Douglas - Nkalane Sanitation	Msinga Municipality			10 600 000		

Sub Total		60 131 866	51 278 976	62 324 703	63 540 088	99 478 262
TOTAL PROJECT BREAK DOWN		134 648 000	161 942 000	196 447 000	207 228 000	225 382 000
MIG ALLOCATION AS PER DORA		134 648 000	161 942 000	196 447 000	207 228 000	225 382 000
		0		0	0	0
Water Projects		109 788 720	136 692 297	140 222 297	168 962 000	151 177 826
Sanitation Projects		24 859 280	25 249 703	56 224 703	38 266 000	74 204 174
		134 648 000	161 942 000	196 447 000	207 228 000	225 382 000

2. LOCAL ECONOMIC DEVELOPMENT CATALYTIC PROJECTS TO BE IMPLEMENTED FOR THE MEDIUM TERM EXPENDITURE FRAMEWORK

During 2012/13 financial year, the municipality will be implementing a range of LED programmes which are aimed at promoting economic development thereby creating a conducive environment for economic growth, most of the budget which will be utilised in implementing these projects will be sourced external from government and the private sector as their require a big budget in order for their intended results to be realised:

No	Project Name	Project Description	Proposed Budget	Funding Source
1.	Development of Feasibility Studies	This allocation is for the undertaking of feasibility studies and business plans. Projects will be extracted from our LED studies and other research documents available. The intention is to have a basket of project business plans which will be utilized to leverage external funding.	R 3 million	Internal funding
2.	Peach production (Muden)	In 2011/2012 Council approved funding for the compilation of a technical report and business plan. The proposed allocation will be for the implementation of the project i.e. production. The project has a secured market for peaches.	R 25 million	External funds An application has been submitted to COGTA for funding under the auspices of the Corridor Development Programme. Another application will be submitted to the Jobs fund

3.	Msinga Nursery	This project entails the re-establishment of the nursery in Tugela Ferry which is intended to supply local farmers with seedlings.	R 3 million	External funds An application will be submitted to the Jobs fund for consideration
4.	Vegetable Production	The vegetable production initiative which has been piloted in Msinga Municipality (150 ha) will be rolled out further in order to increase the number of hectares planted. This is in response to the demand from the Johannesburg fresh produce market. The project will also supply the Tugela Ferry pack house.	R 24 million	External funds Funding applications will be forwarded to Department of Economic Development and Tourism and the Jobs Fund for consideration
5.	Mechanization Unit	The municipality intends to establish an agriculture mechanization unit to support agricultural development in the district. In the current financial year, an allocation was approved for the procurement of implements. The proposed allocation of R 5 million will cover operational costs of the unit.	R 10 million	External funding
6.	Tourism and Craft	The allocation is for Tourism Development and marketing, and also to fund initiatives to promote craft development.	R 5 million	External funding
7.	Construction Incubator	The municipality established a facility to service emerging contractors, particularly women in construction. The project intention is redressing the imbalances of the past within the construction	R 6 million	External funds

		<p>sector by providing training, capacity building and mentorship to emerging contractors (particularly women) in order to ensure that they have adequate technical and business skills to become active players in the main stream economy.</p> <p>The original intake constituted thirty (30) women, and they have completed their three (3) cycle. In the process of having the second intake.</p>		
	Total		R 76,000,000.00	

3. SPECIAL PROGRAMMES

During 2012/13 financial year, the municipality will be implementing a range of special programmes at developing the communities. The programmes to be implemented are as follows:

3.1 Sports

- Kwanaloga Games
- 2013 Marathon
- Mayoral sports tournament; Mayoral Cup
- Traditional Horse Racing

3.2 Elderly & Widows

- Active seniors / Golden games
- Work & Play / interdepartmental games

3.3 Plan for People living with disabilities

- Wheel chair basketball
- Wheel chair Race

3.4 Children & Youth

- Learn & Play
- Commemoration of Children's day
- Child protection week
- 16 Days of Activism
- Establishment of Children's forum

3.5 District Cultural Event

- Indigenous games
- District Ingoma
- Umkhosi womhlanga
- Umgubho we Lembe

SECTION F: SECTOR INVOLVEMENT

On the 01 – 02 November 2011, Umzinyathi District Municipality engaged sector departments through IDP/LED planning workshops, which is now officially known as the District wide IDP Technical Committee meeting. The aim of the session was to:

- Streamlining planning process;
- Finding a common district wide development vision;
- Consolidation and alignment of programmes and budgets;
- Unifying the channelling of both private and public sector investments;
- Combating socio-economic ills in a strategic and coordinated manner; and
- Put forward a plan of action that will enjoy political buy-in at levels

The session was a success and the municipality managed to obtain most of the programmes and projects from the sector department which will be implemented within Umzinyathi District Municipality. The sector departments that were present are as follows:

STAKEHOLDERS PRESENT	
<ul style="list-style-type: none">• Department of Agriculture, Environment Affairs and Rural Development• Department of Economic Development and Tourism• Department of Rural Development and Land Reform• Department of Economic Development• Department of Transport• Department of Labour• Cooperative Governance and Traditional Affairs• Department of Environmental Affairs• Department of Home Affairs• Department of Education• The District and its Locals	

On the 27 February 2012, the municipality had a second session with the sector departments to make a follow on the issues which were outstanding from the first session, and also to obtain concrete final programmes and projects for integration and alignment in the IDP. The sector department that were present are as follows:

STAKEHOLDERS PRESENT	
<ul style="list-style-type: none"> • Department of Agriculture • Department of Economic Development and Tourism • Department of Rural Development and Land Reform • Regional Land Claims Commission • Department of Co-operative Governance and Traditional Affairs • Department of Labour • Eskom • The District and its Locals 	

Programmes and projects to be implemented by the sector departments within Umzinyathi District Municipality for the next Medium Expenditure Framework, are as follows:

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

Programme	Project	Budget Amount	Comments
SBD	SMME training & capacity Building	R634 600.00	Awaiting Exco confirmation
SBD	Royal Show	R165 680.00	Awaiting Exco confirmation
SBD	Pre-Finance Training	R150 000.00	Awaiting Exco confirmation
SBD	Status of Small Enterprises	R184 636.00	Awaiting Exco confirmation
O-OPS	Feasibility study on coop academy by UNIZULU	To be obtained	To be obtained
O-OPS	UNIZULU equips coops members on cooperatives ACT 14 of 2005 and cooperative governance	To be obtained	To be obtained
O-OPS	Mentorship on school nutrition and bakeries coops	To be obtained	To be obtained

O-OPS	Coastal college provides all kinds of training as per coop's needs	To be obtained	To be obtained
O-OPS	FET skills' training	To be obtained	To be obtained
RLED	Technical Assistance	R 1 500 000.00	Continuation
DEDT	LCF II	To be obtained	Depend on applications
DEDT	UKZN LED Programme	To be obtained	Depend on applications
DEDT	Incubator Feasibility	To be obtained	Depend on applications
DEDT	Access to Funding	To be obtained	Depend on applications

DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM (Regional Office)

NAME OF THE PROJECT	LOCAL MUNICIPALITY	TYPE OF PROJECT	ESTIMATED BUDGET
Duna	Msinga	RECAP	R 1,500,000
Ngcongwane Top	Msinga	RECAP	R 500,000
Somashi	uMvoti	RECAP	R 2,000,000
Emandleni	Msinga	RECAP	R 1,000,000
Buyafuthi	Msinga	RECAP	R 2,000,000
Ncethezo	uMvoti	RECAP	R 2,000,000

Thokoza	Endumeni	RECAP	R 1,000,000
Umvoti	Msinga	RECAP	R 2,000,000
Elandskraal/ Qiniseka CPA	Msinga	RECAP	R 1,500,000
Craignethean	Msinga	RECAP	R 1,500,000
<u>Totals budget R15, 500, 000.00</u>			

DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM (National Office)

- The sample projects which have been implemented by the department under certain programmes are as follows:
 - Ndaya Water Scheme – Msinga
 - KwaDolo Electrification – Msinga
 - Asisukume Agricultural Co – operatives – Msinga
 - National fencing - Msinga

The department has also mapped the following areas:

- Gazetted and settled claims
- Transferred redistribution projects
- Msinga and Nquthu CPRD wards.

DEPARTMENT OF AGRICULTURE

NAME OF THE PROJECT	PROJECT DESCRIPTION	LOCAL MUNICIPALITY	ESTIMATED BUDGET
Veterinary- functions	Veterinary Services: <ul style="list-style-type: none"> • Animal disease control • Prevention of zoonotic diseases • Inspection Service • Primary Health Care Service • Dipping Programme 	<u>ENDUMENI</u> Sibongile area	R450 000
ENVIRO - Projects / Programs	<ul style="list-style-type: none"> • District IWMP review • Environmental Education & Awareness • Greening / Tree Planting 	To be obtained	R300 000 R120 000

DEPARTMENT OF TRANSPORT

Name of the Project	Local Municipality	<u>KM</u>	Location / Beneficiary	Estimated Budget
Construction of Fankomo Road	Endumeni	3.5	Fankomo Community	R 1,467,000
Construction of Mfihlewana Road	Nquthu	3	Mfihlewana Community	R 1,275,000
Construction of Fahlaza Road	Nquthu	3.8	Fahlaza Community	R 1,275,000
Construction of Qwabe Road	Nquthu	3.8	Qwabe Community	R 1,275,000
Construction of Ngabayena Road	Msinga	3	Ngabayena Community	R 1,600,000
Construction of Nokeshe Road	Msinga	3	Esidakeni Community	R 1,600,000
Construction of Ntebeni Road	Msinga	3	Entebeni Community	R 1,600,000

Construction of Mhlabathini Road	Umvoti	4	Emakhabeleni Community	R 1,600,000
Construction of Esidumukeni Road	Umvoti	3	Dinda Community	R 1,600,000
Construction of Mbhobho Road	Umvoti	3	Majola Community	R 1,600,000
Construction of Ngabayena Road Causeway	Msinga	-	Ngabayena Community	R 200,000
Construction of Ntinini Causeway	Nquthu	-	Ntinini Community	R 400,000
Construction of Causeway on Road A1251	Greytown	-	Gcothoyi Communtiy	R 600,000

- Special infrastructure projects being implemented by the department relate to the following:

Name of the Project	Local Municipality	Location	Project Description
D1566	MSINGA	Qudeni – Msinga	New Link Road and Construction of Bridge – Buffalo River
P36-2	NQUTHU	Nquthu to Nondweni	Upgrade from Gravel to Blacktop
Tugela Ferry Steel Bridge	MSINGA	Tugela Ferry	Rehabilitation of Steel Bridge with the inclusion of Pedestrian Sidewalks
P272	ENDUMENI	Dundee to Nyanyadu	Reseal
P160		Mispah to Ahrens	Reseal

DEPARTMENT OF HEALTH

Name of the Project	<u>Area</u>	Project Description	Estimated Budget
MSINGA	Nteneshane Poemory CHC Vezokuhle/Pakwe Mashunka Mzweni	To be obtained	To be obtained
NQUTHU	Manxili Thathezakhe Ntabasibahle Nkunyane Machitshane Nondweni	To be obtained	To be obtained
UMVOTI	Muden Krannskop Mbulwane Amatimatolo CHC Mbuba Ngome	To be obtained	To be obtained

ENDUMENI	Alva/Mozane Glencoe CHC	To be obtained	To be obtained
To be obtained	Mawila	Maintenance & upgrade to include consult rooms, additional residences, store and medical waste store	To be obtained
To be obtained	Nocomboshe	Maintenance & upgrade to include consult rooms, additional residences, store and medical waste store.	To be obtained
To be obtained	Eshane	Maintenance & upgrade to include consult rooms, additional residences, store and medical waste store.	To be obtained
To be obtained	Amakhabela	Maintenance & upgrade to include consult rooms, additional residences, store and medical waste store.	To be obtained
To be obtained	Masotsheni	Maintenance & upgrade to include consult rooms, additional residences,	To be obtained

		store and medical waste store.	
To be obtained	Ehlanzeni	Maintenance & upgrade to include consult rooms, additional residences, store and medical waste store, 2 additional counseling rooms.	To be obtained
To be obtained	Felani	Maintenance & upgrade to include consult rooms, additional residences, store and medical waste store.	To be obtained
To be obtained	Dundee Hospital	Additional staff accommodation. Ward partitioning	To be obtained
To be obtained	Charles Johnson Memorial Hospital	Creche. Accommodation for lodger mothers & transit patients	To be obtained
To be obtained	Church Of Scotland Hospital	Additional staff accommodation. Lodger mothers & transit patient accommodation. Creche and Parking area.	To be obtained
Umvoti	Greytown Hospital	New maternity	To be obtained

		complex. Upgrade CSSD. New hospital mortuary and New PHC offices.	
To be obtained	T.B Specialised Hospital	Tuck shop. Additional wards & upgrade kitchen. Restore mortuary.	To be obtained

DEPARTMENT OF ENVIRONMENTAL AFFAIRS

Name of the Project	Project Description	Focus Areas	Estimated Budget
2x Regional Landfill Sites: Northern – Endumeni & Southern - uMvoti	Establishing of regional landfill site for domestic waste. Access road and fencing.	Working on Waste	R15,000,000.00 X2 (each)
Alien Plant Clearing	Clearing of alien/invasive plants along uMzinyathi District	Sustainable Land Based Livelihoods	R4,500,000.00
Total Budget	R34,500,000.00		

DEPARTMENT OF TRADE AND INVESTMENT (KZN)

- Current programmes being implemented by Trade and Investment KwaZulu – Natal for 2011/12 and also for 2012/13 relate to the following areas:
 - Strategic Objective A - Contribute to KZN's economic growth priorities in terms of job creation, spatial development, sector development and BEE;
 - Strategic Objective B - Advocate for a conducive business environment in the KZN province
 - Strategic Objective C - Market the KZN province as a premier business destination.
 - Strategic Objective D - Promote and facilitate new fixed investments in the KZN province

- Strategic Objective E - Develop and facilitate export opportunities for the KZN province.
 - Strategic Objective F - Facilitate business retention and expansion programmes to ensure sustainability and business growth in the KZN.
- The Trade and Investment KwaZulu – Natal has also identified investment opportunities in the following sectors:
 - Energy Sector;
 - Automotive Sector
 - Tourism Sector;
 - Information, Communication, Business Process Outsourcing;
 - Richards Bay Industrial Development Zone

DEPARTMENT OF EDUCATION:

Programme	Purpose
New Schools	To provide new public primary and secondary school in response to planned development or growth, complete with all supporting learning spaces and facilities.
Upgrades & Additions	To add to or improve existing structures in terms of Learning spaces, water & sanitation facilities, support spaces &/or works (fencing, drainage, etc).
Curriculum Redress	To specifically provide new learning spaces and support the existing ones in response to curriculum requirements.
Water & Sanitation	To specifically provide water & sanitation facilities to those schools where none is currently available. Also to add where there are shortages.
Mobile Classrooms	To provide Temporary learning & support spaces as response to emergency situations until such time as permanent structures can be provided.
Fencing	To provide security boundary so as to improve Security in schools.
Repairs and Renovations	To improve the condition of existing buildings (including replacement) that have deteriorated due to neglect or damage in order to ensure a safe learning & teaching environment.
Emergency Repairs Response	To improve the condition of existing buildings that have been damaged by "weather conditions", within a short space of time, in order to reinstate a safe learning & teaching environment.
Special Projects	To provide special projects on request from the MEC's Office.

Maintenance	To ensure that the condition of existing infrastructure buildings is sustained & not allowed to deteriorate.
Learners with Special Education Needs (LSEN)	To provide appropriate spaces for LSEN.
Early Childhood Development (ECD)	To provide learning spaces and toilets facilities for grade R learners.

- Summary of the projects under implementation as per the above mentioned programmes:

- Water and sanitation
 - 56 Schools with 1508 toilets and urinals, and 400 basins.
 - Estimated Budget R60,320 000.
 - There are also 340 toilets in other 25 schools' projects;
 - Total of 1848 toilets in 81 schools.
- Upgrade and Additions

25 schools with the provision of the following rooms:

- 113 standard classrooms;
- 37 multipurpose, laboratories and specialist rooms;
- 12 media Centres;
- 13 computer rooms;
- 105 offices;
- 101 Store rooms;
- 25 strong rooms;
- 23 SNP Kitchen;
- 350 Toilets (This includes 33 units for disabled)
- Estimated Budget R198,264,000.00
- Repairs and Renovation
 - 22 Schools
 - Estimated Budget R44,000,000.00
- New Schools
 - 01 School
 - Estimated Budget R10,000,000.00
- Curriculum Redress
 - 07 Schools
 - Estimated Budget R19,200,000.00
- Learners with Special Education Needs
 - 08 Schools
 - Estimated Budget R48,000,000.00
- Mobile Classrooms
 - 47 Schools – 292 Units
 - Estimated Budget R18,480,000.00
- Early Childhood Development

- 34 Schools
- Estimated Budget R30,600,000.00

Proper specifications such as projects descriptions, ward number / local municipality and estimated budget couldn't be provided to the municipality.

ESKOM:

Name of the Project	Project Description	Local Municipality	ESTIMATED BUDGET
Bloedrivier Craigside 88kV Line 1	Copper Replacement on Dundee Tee-off	Endumeni	To be obtained
Bloedrivier Craigside 88kV Line 2 -	Copper Replacement on Dundee Tee-off	Endumeni	To be obtained
Mt Elias SS, 16kM 132kV line		Umvoti	
Total Budget	To be obtained		

The estimated budget for implementation of these projects couldn't be provided by Eskom to the municipality.

SECTION G: IMPLEMENTATION PLANS

Umzinyathi District Municipality has prepared the implementation plans according to the National Key Performance Areas of the Five Year Strategic Local Government Agenda and they are also aligned to the departments of the municipality in relation to their implementation. The implementation plans serve as the alignment between the IDP and Budget, and they also unpack the strategies in terms of their programmes. They also have the core functions aligned to each Key Performance Areas to be undertaken during the 2012/13, 2013/2014 and 2014/2015 financial years, these core functions are then aligned to the budget to facilitate the implementation. The implementation plans have committed human and financial resources to enable the municipality to achieve its developmental mandate.

National Key Performance Area(s)	Municipal Key Performance Area(s)	Project	Project Budget			Responsible Department
			2012/13	2013/14	2014/15	
Basic Service Delivery and Infrastructure Investment	Integrated Infrastructure Investment	Implementation of new water schemes	140 222 297	168 962 000	151 177 826	Executive Manager: Technical Services
		Extension of existing water schemes				
		Rudimentary programme				
		Water Service Provision	29 835 672	39 866 390	36 941 190	
		Operation and Maintenance	11 526 000	12 678 600	13 946 460	

Basic Service Delivery and Infrastructure Investment	Integrated Infrastructure Investment	Provision of new sanitation facilities	56 224 703	38 266 000	74 204 174	Executive Manager: Technical Services
Local Economic Development	Economic Development	Implementation of the Economic Vision projects through the following programmes: Agricultural Development and Diversification Tourism Development Institutional Development SMME Development Co-ordination and support for Mining	3 490 000 5 000 000	3 839 000	4 222 900	Executive Manager: Office of the Mayor
Local Economic Development	Economic Development	Promotion of Tourism	550 000	605 000	665 500	
Local Economic Development	Socio – Economic Development	Implementation of the HIV/aids programmes and projects	250 000	275 000	302 500	Executive Manager: Office of the Mayor

National Key Performance Area(s)	Municipal Key Performance Area(s)	Project	Project Budget			Responsible Department
			2012/13	2013/14	2014/15	
Good Governance and Public Participation	Social Development	Coordination of programmes for sports development				Executive Manager: Office of the Mayor
		Marathon	500 000	550 000	605 000	
		Wards development	200 000	220 000	242 000	
		Mayoral Sports Tournament	250 000	275 000	302 500	
		Ward Sports Development	200 000	220 000	242 000	
		Rural Horse Riding	250 000	275 000	302 500	
		District Cultural Event	100 000	110 000	121 000	
		Sport and Culture	2 000 000	2 200 000	2 420 000	

National Key Performance Area(s)	Municipal Key Performance Area(s)	Project	Project Budget			Responsible Department
			2012/13	2013/14	2014/15	
Good Governance and Public Participation	Social Development	Implementation of children and youth programmes which are as follows: <ul style="list-style-type: none"> • Learn & Play • Commemoration of Children's day • Child protection week • 16 Days of Activism • Establishment of Children's forum 	450 000	495 000	544 500	Executive Manager: Office of the Mayor
Good Governance and Public Participation	Social Development	Implementation of sustainable programmes dealing with people living disabilities as per the following: <ul style="list-style-type: none"> • Wheel chair basketball • Wheel chair Race 	450 000	495 000	544 500	Executive Manager: Office of the Mayor
Institutional Development and Transformation	Institutional Development	Capacity development for the employees	1 500 000	1 650 000	1 815 000	Executive Manager: Corporate Services

National Key Performance Area(s)	Municipal Key Performance Area(s)	Project	Project Budget			Responsible Department
			2012/13	2013/14	2014/14	
Good Governance and Public Participation	Good Governance	Marketing and promotions of the municipality	1 500 000	1 650 000	1 815 000	Executive Manager: Office of the Mayor
Good Governance and Public Participation	Good Governance	Project launches	1 500 000	1 650 000	1 815 000	Executive Manager: Technical Services
Good Governance and Public Participation	Good Governance	Mayoral Imbizo	910 000	1 001 000	1 101 100	Executive Manager: Office of the Mayor

National Key Performance Area(s)	Municipal Key Performance Area(s)	Project	Project Budget			Responsible Department
			2012/13	2013/14	2014/15	
Good Governance and Public Participation	Social Development	Elderly and Widows as per the following programmes: <ul style="list-style-type: none"> • Active seniors / Golden games • Work & Play / interdepartmental games 	250 000	275 000	302 500	Executive Manager: Office of the Mayor
Good Governance and Public Participation	Good Governance	Drought Relief	5 633 890	6 125 145	7 097 887	Executive Manager: Technical Services
Good Governance and Public Participation	Strategic Planning	Review of the 2013/14 IDP	450 000	495 000	544 500	Office of the Municipal Manager
		Procurement of updated data for the IDP analysis				
		District wide IDP Technical meetings				
Good Governance and Public Participation	Strategic Planning	Customer Satisfaction Survey	600 000	660 000	726 000	
		IDP Sector Plans	605 000	665 500	732 050	

National Key Performance Area(s)	Municipal Key Performance Area(s)	Project	Project Budget			Responsible Department
			2012/13	2013/14	2014/15	
Good Governance and Public Participation	Disaster Management	Review of the Disaster Management Plan and framework	1 682 925	1 851 218	2 036 339	Office of the Municipal Manager
		Provide assistance to Nquthu to develop their own Disaster Management Plan				
		Installation of weather satellite stations one in each local municipality				
		Installation of Box Message facility at the Umzinyathi District Disaster Management Centre				
		Procurement of Disaster Relief material				
		Fire Services	2 665 525	2 921 077	3 213 185	
Good Governance and Public Participation	Social Programmes	Pauper Burial	150 000	165 000	181 500	Executive Manager: Office of the Mayor

SECTION H: ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

Performance Management is a strategic approach to management, which equip leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organisation in terms of indicators and targets for efficiency, effectiveness and impact.

Chapter 6: of the Municipal Systems Act (No 32 of 2000) requires municipalities to:

- Develop a performance management system;
- Set targets, monitor and review performance based on indicators linked to their IDP;
- Publish an annual report on performance for the councillors, staff, the public and other spheres of government;
- Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government;
- Have their annual performance report audited by the Auditor-General; and
- Involve the community in setting indicators and targets and reviewing municipal performance.

2001: Municipal Planning and Performance Regulations states that:

- Performance Management System must entail a Framework that describes and represent how the municipality's cycle and process of performance management, including measurement, review, reporting and improvement, will be conducted;
- Performance Management System must inter alia comply with the requirements of the Systems Act, relates to the municipality's employee performance management processes and be linked to the municipality's IDP.

During 2011/12, the municipality developed a functional and effective Organisational Performance Management System which is currently under implementation, and it addresses performance needs of the organization and also serves to promote a culture of performance management and to administer its affairs in an economical, effective, efficient and accountable manner as required by Section 38 of the Municipal Systems Act (No32 of 2000). In terms of measuring the performance of the municipality in implementing the 2012/13 IDP, the municipality has reviewed the entire system of Performance Management System, and has the following documents in place which guide the review, implementation and monitoring of performance management system:

- Organisational Scorecards;
- Departmental Scorecards;
- Performance Framework Framework; and
- Performance Policy – in the process of being reviewed for implementation during 2012/13 financial year.

The organisational scorecard is attached herewith as Annexure J 4.

SECTION I: ANNEXURES

No	Sector Plans	Available		If Not Available
		Yes	No	Status
J 1	Spatial Development Framework	√		New Spatial Development Framework has been developed for the 3 rd generation of the IDPs, and the draft for comments and inputs has been integrated into the final IDP.
J 2	Disaster Management Plan	√		To be reviewed during 2012/13 financial year to update risks and mitigating measures
J 3	Organizational and Departmental Scorecards	√		
J 4	Organizational and Departmental Organogram	√		
J 5	Umzinyathi Turn Around Strategy	√		

SECTION J: APPENDIXES

Umzinyathi District Municipality has developed a number of Sector Plans which are aimed at assisting the municipality in making well informed decisions to enable effective implementation thereby improving the quality of life for our respective communities. A table hereunder indicates the sector plans that have been prepared by the municipality to date and their status:

No	Sector Plans	Available		If Not Available
		Yes	No	Status
K 1	2010/11 Annual Report	√		
K 2	2011/12 Financial Plan	√		
K 3	Land Use Management Framework	√		
K 4	Integrated Waste Management Plan	√		To be reviewed during 2012/13 financial year
K 5	<ul style="list-style-type: none"> Water Services Development Plan Bulk water and sanitation Strategy 	√		To be reviewed during 2012/13 financial year
K 6	Integrated Transport Plan	√		To be reviewed during 2012/13 financial year
K 7	Local Economic Development Strategy	√		

K 7	• Economic Vision 2014	√		
K 8	Agricultural Strategy	√		
K 9	Strategic Environmental Assessment	√		To be reviewed during 2012/13 financial year
K 10	District Tourism Strategy	√		In the process of being reviewed
K 11	Electrification Master Plan		√	To be developed during 2012/13 financial year
K 12	Road Asset Management System		√	Currently being developed, to be integrated into the next IDP Review